Calendar No. 244

98TH CONGRESS, 1st Session } SENATE { REPORT No. 98-152

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATION BILL, 1984

JUNE 14 (legislative day, JUNE 13), 1983.—Ordered to be printed

Mr. GARN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 3133]

The Committee on Appropriations to which was referred the bill (H.R. 3133) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

AMOUNT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1984[1]
Amount of bill as recommended in House	$54,426,088,000
Amount of change by Committee	4,738,390,190
Amount of bill as reported to Senate	49,687,697,810
Amount of appropriations to date, 1983	49,645,479,889
Amount of budget estimates, 1984	44,992,658,896
Over estimates for 1984	4,695,038,914
Over appropriations for 1983	42,217,921

[1] Excludes $4,566,700,000 for revenue sharing deferred by the House.

* (Star Print)

5183-7

INDEX TO REPORT

	Page
Title I—Department of Housing and Urban Development	6
Title II—Independent agencies:	
American Battle Monuments Commission	33
Consumer Product Safety Commission	34
Cemeterial expenses, Army	36
Environmental Protection Agency	37
Council on Environmental Quality	50
Office of Science and Technology Policy	51
Federal Emergency Management Agency	52
Consumer Information Center	59
Office of Consumer Affairs	60
National Aeronautics and Space Administration	60
National Credit Union Administration	67
National Science Foundation	68
Neighborhood Reinvestment Corporation	76
Selective Service System	78
Department of the Treasury	79
Veterans Administration	81
Title III—Corporations:	
Federal Home Loan Bank Board	98
Federal Savings and Loan Insurance Corporation	99
Title IV—General provisions	100

SUMMARY OF THE BILL

Department or agency	Appropriations, 1983	Budget estimates, 1984	House allowance	Committee recommendations	Senate bill compared with—		
					Appropriations, 1983	Budget estimates 1984	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
American Battle Monuments Commission	$10,669,000	$10,837,000	$10,837,000	$10,462,000	-$207,000	-$375,000	-$375,000
Cemeterial expenses, Army	6,682,000	8,203,000	8,203,000	8,203,000	+1,521,000		
Consumer Information Center	1,351,000	1,449,000	1,449,000	1,349,000	-2,000	-100,000	-100,000
Consumer Product Safety Commission	33,508,000	32,000,000	34,500,000	35,000,000	+1,492,000	+3,000,000	+500,000
Council on Environmental Quality	926,000	913,000	700,000	913,000	-13,000		+213,000
Department of Housing and Urban Development	13,116,529,689	7,152,009,896	16,509,580,000	11,734,154,610	-1,382,374,879	+4,582,144,914	-4,775,425,190
Department of the Treasury	4,573,312,000	4,574,378,000	7,378,000	4,573,978,000	+666,000	-400,000	+4,566,600,000
Environmental Protection Agency	3,719,688,200	3,702,591,000	4,081,600,000	3,998,100,000	+278,411,800	+295,509,000	-83,500,000
Federal Emergency Management Agency	649,898,000	522,407,000	430,758,000	467,087,000	-182,811,000	-55,320,000	+36,329,000
Federal Home Loan Bank Board	(66,160,000)	(67,635,000)	(67,635,000)	(67,635,000)	(+1,475,000)		
National Aeronautics and Space Administration	6,809,200,000	7,106,500,000	7,176,500,000	7,171,500,000	+362,300,000	+65,000,000	-5,000,000
National Credit Union Administration							
National Science Foundation	1,092,200,000	1,292,300,000	1,315,300,000	1,292,600,000	+200,400,000	+300,000	-22,700,000
Neighborhood Reinvestment Corporation	15,512,000	15,512,000	15,512,000	15,512,000			
Office of Consumer Affairs	1,947,000	2,011,000	2,011,000	2,011,000	+64,000		
Office of Science and Technology Policy	1,839,000	2,088,000	1,950,000	1,950,000	+111,000	-138,000	
Selective Service System	22,700,000	25,499,000	24,049,000	24,649,000	+1,949,000	-850,000	+600,000
Veterans Administration	24,156,218,000	25,110,661,000	24,805,761,000	24,916,929,000	+760,711,000	-193,732,000	+111,168,000
Total	54,212,179,889	49,559,358,896	54,426,088,000	54,254,397,810	+42,217,921	+4,695,038,914	-171,690,190

GENERAL STATEMENT

The Committee recommends new budget (obligational) authority of $54,254,397,810 for the Department of Housing and Urban Development, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, the Veterans Administration, and 14 other agencies, commissions, boards, corporations, institutes, and offices. This amount is $42,217,921 more than the appropriations enacted for fiscal year 1983 and $4,695,038,914 more than the budget estimate for fiscal year 1984. The Committee notes that the "enacted levels" for fiscal year 1983, shown in the body of the report, assume the enactment of the Supplemental Appropriations Act for fiscal year 1983 (H.R. 3069).

Federal Credit Control Program

The 1984 budget resolution proposes a system subjecting Federal credit programs to annual review, limitation, and authorization through appropriation language on direct loan obligations and/or commitments to guarantee loans. The new system of credit control will permit both the administration and the Congress to improve understanding of the credit programs and determine appropriate levels of credit activity.

Credit control language for the following accounts has been included in the bill. Credit control limitations for other accounts are addressed under specific appropriation headings.

Department of Housing and Urban Development: Federal Housing Administration fund, nonprofit sponsor assistance, emergency mortgage purchase assistance, guarantees of mortgage-backed securities, community development grants, and new communities fund.

Veterans Administration: Loan guaranty revolving fund and direct loan revolving fund

Reprograming and Initiation of New Programs

The Committee continues to have a particular interest in being informed of reprogramings which, although they may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, represent a significant departure from budget plans presented to the Committee in an agency's budget justifications.

Consequently, the Committee directs that the Department of Housing and Urban Development and the agencies funded through this bill notify the chairman of the Committee prior to reprograming of funds in excess of $250,000 between programs, activities, or elements. The Committee desires to be notified of reprograming actions which involve less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if programs or projects specifically cited in the Committee's reports are affected. Finally, the Committee wishes to be notified regarding reorganizations of offices, programs, or activities prior to the planned implementation of such reorganizations.

Despite the fact that this directive regarding reprogramings, reorganizations, and the initiation of new programs has been a part of the Committee's report since fiscal year 1977, the Committee notes that a number of the Departments and agencies funded through this bill have failed to fully comply with the directives. The Committee views the monitoring of reprogramings to be an integral part of its budget review responsibility and expects all Departments, agencies, commissions, boards, and offices covered by this legislation to adhere to the Committee's reprograming directives.

Effects of Committee Action on Budget Outlays

The fiscal year 1983 budget outlays from the new budget authority for the Department of Housing and Urban Development together with the independent agencies funded by this bill resulting from funding requested by the administration are estimated to be $34,871,000,000. The Committee's recommendations would result in an increase in this amount of $130,000,000 for a total outlay figure from new budget authority of $35,001,000,000. The Committee notes that an expected budget amendment for the Environmental Protection Agency would increase the outlays from the administration's request by approximately $110,000,000. The Committee recommendations already include the outlay effect of this expected amendment.

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

	Contract authority	*Budget authority*
1983 limitation	$519,711,198	$8,651,475,689
1984 budget estimate	509,636,806	3,595,860,896
House allowance	771,315,000	12,644,138,000
Committee recommendation	809,954,229	7,954,862,810

The Committee recommends $7,954,862,810 of new budget authority. This is $4,689,275,190 more than the budget estimate and $5,001,-775,190 less than the House.

PROGRAM DESCRIPTION

Currently, the Department's assisted housing efforts consist of a low-income public housing program and the section 8 lower income rental housing assistance program. Under the public housing program, local public housing agencies develop, own, and operate low-income public housing projects, financing them through the sale of short-term, tax-exempt notes and long-term taxable instruments, with the Department of Housing and Urban Development entering into a commitment to pay the debt service of these obligations through an annual contributions contract to help assure low rents and adequate services. Financial assistance is also provided to Indian housing authorities to plan, build, own, and operate low-income public housing projects. Under the section 8 rent subsidy program, the Department pays the difference between what an eligible lower-income household can afford and the fair market rent for an adequate housing unit. This rental assistance may be used for existing housing, for new construction, or for rehabilitated units.

For 1984, the administration proposes a major change in the manner in which assistance is provided to low-income renters. All subsidies for new construction or substantial rehabilitation (including public housing) would be discontinued except for 10,000 units assisted in conjunction with the section 202 housing for the elderly or handicapped program. A new subsidy mechanism, housing payment certificates, is proposed beginning in 1984 which would make use of the existing housing inventory in meeting the needs of low-income persons. The new subsidy is based on the concept of providing eligible households with a certificate which will allow them to secure decent housing in the private market. The subsidy amount is to be determined by the difference between a payment standard established for each area and, in most cases, 30 percent of adjusted household income.

The administration intends to continue reviewing projects in the construction and preconstruction processing pipeline in an effort to eliminate those projects which are not making satisfactory progress toward construction start. The Department estimates that deobligation of such units is expected to result in the recapture of $4,346,310,000 of budget authority in 1984. Public Law 98–8 disapproved the Department's request to defer $3,081,152,796 of budget authority from 1983 into 1984. As a result, a budget amendment has been proposed for 1984, increasing the amount of budget authority requested from $514,708,100 to $3,595,860,896. This latter revised amount is reflected in the table at the beginning of this section.

COMMITTEE RECOMMENDATION

The Committee recommends $7,954,862,810 in new budget authority and $809,954,229 in additional contract authority for the Department's assisted housing program within this account. These authorities, when combined with estimated deobligations of $4,113,000,000, and permanent authority of $23,800,000 will result in a fiscal year 1984 program level of $12,091,662,810. This compares to a $7,965,970,896 program level proposed by the administration and $12,644,138,000 proposed by the House.

The following table displays the gross reservations, contract authority and budget authority associated with the Committee's recommendations:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING GROSS RESERVATIONS—FISCAL YEAR 1984

	Units	Cost	Contract authority	Term	Budget authority
Recaptures	N/A	N/A	$178,177,000	N/A	$4,113,000,000
Permanent authority	N/A	N/A	23,800,000	N/A	23,800,000
New authority	N/A	N/A	809,954,229	N/A	7,954,862,810
Total, available	N/A		1,011,931,229		12,091,662,810
Public housing:					
Indian	3,000	$5,565	16,695,000	28	467,460,000
Amendments	N/A	N/A	3,333,000	30	100,000,000
Interest rate adjustments	N/A	N/A	6,471,625	30	194,148,750
Lease adjustments	N/A	N/A	22,300,000	1	22,300,000
Modernization	N/A	N/A	80,000,000	20	1,600,000,000
Total, public housing	3,000		128,799,625		2,383,908,750
Section 8:					
New/substantial rehab: Section 202	14,000	6,880	96,320,000	20	1,926,400,000
Existing:					
Regular	25,000	4,000	100,000,000	15	1,500,000,000
Loan management	5,000	3,000	15,000,000	5	75,000,000
Subtotal, existing	30,000		115,000,000		1,575,000,000
Property disposition	10,000	4,700	47,000,000	15	705,000,000
Housing payment certificates:					
Conversions:					
ACC expirations (gross)	26,000	2,243	58,318,000	5	291,590,000
Turnover	(94,000)	1,916	(180,104,000)	3	(540,312,000)
Incremental units:					
Rental rehabilitation	50,000	1,916	95,800,000	5	479,000,000
Other	20,000	1,916	38,320,000	5	191,600,000
5-year opt-outs	1,000	1,994	1,994,000	5	9,970,000
Public housing demolitions	5,000	1,994	9,970,000	5	49,850,000
PHA fees	N/A	N/A	25,500,000	5	127,500,000
Subtotal, HPC	102,000		229,902,000		1,149,510,000
Conversions:					
Section 23	5,000	2,850	14,250,000	15	213,750,000
Rent supplement/RAP	64,101	3,204	205,379,604	15	3,080,694,060
Subtotal, conversions	69,101		219,629,604		3,294,444,060
Per-unit cost adjustments	(196,000)	680	133,280,000	5	666,400,000
Amendments:					
New/rehabilitation:					
Preconstruction	N/A	N/A	10,000,000	23	230,000,000
Project reserves	N/A	N/A	15,000,000	5	75,000,000
Existing housing:					
Regular	N/A	N/A	12,000,000	3	36,000,000
Loan management	N/A	N/A	5,000,000	10	50,000,000
Subtotal, amendments	N/A		42,000,000		391,000,000
Total, section 8	225,101		883,131,604		9,707,754,060
Total, public housing and section 8	228,101		1,011,931,229		12,091,662,810

Once again this year, the Committee has had to make its recommendations without the benefit of a housing authorization bill. In developing its proposal, the Committee has carefully weighed the need to provide basic reforms in the Department's assisted housing program against the Committee's reluctance to intrude on the authorizing process. The Committee has, therefore, recommended a program mix that continues the program under the terms and conditions of previous legislation, while recommending, in an experimental mode, the cost saving inherent

in the housing certificate payments and rental rehabilitation programs. The Committee has carefully structured these two new programs to correspond to the way these programs were designed in the Senate authorization bill (S. 1338). For example, the Committee has included an additional $680 per certificate over the requested level in anticipation of the Congress rejection of: The proposed inclusion of food stamps as income; proposed change in the computation of the rental allowance from 50 to 40 percent of median rents; and the proposed annual increase from 10 to 20 percent in the maximum permissible tenant rent increase.

Given the program structure proposed by the Committee, the recommended funding will result in the reservation of 112,000 incremental units. This contrasts with the administration's request for 93,000 incremental units and the 116,000 units provided by the House. The estimated number of incremental units expected in fiscal year 1983 is 98,146 (Public Law 98–8). Specifically, the Committee proposes: 14,000 units of section 202 housing (versus 14,000 in the House and 10,000 proposed by the administration); 3,000 Indian housing units (versus 2,000 in the House and an estimated 3,000 proposed under the administration's new program); 25,000 section 8 existing (versus 50,000 in the House and none proposed by the administration); 20,000 housing certificates (versus 25,000 in the House and 50,000 proposed by the administration); and 50,000 rental rehabilitation units (versus none in the House and 30,000 proposed by the administration). The Committee has not, at this time, recommended funding for public housing new construction. The Committee is following the Department's action on the public housing pipeline and will consider new construction when the problems concerning the preconstruction backlog are resolved.

The Committee recommendations, in terms of the number of incremental housing units, were based on a housing model. The model was based on data obtained from the American Housing Survey, Bureau of the Census, and the Department's policy development and research program. The model was based on a policy of targeting housing assistance to those most in need; families below 50 percent of median income; living in units requiring moderate or major repair; and paying more than 30 percent of their income for housing. The model indicates the need for 112,000 incremental units. The Committee urges the Department to take those steps that are necessary to implement the model and thereby provide housing to those most in need.

The Committee also recommends $1,600,000,000 in new budget authority and $80,000,000 in new contract authority for public housing modernization. The House included $1,500,000,000 for public housing modernization. The administration requested $1,400,000,000 for this purpose. While the Committee continues to strongly support the comprehensive improvement assistance program (CIAP), several issues of concern have been raised that need to be addressed. Recent information on the CIAP program indicates that only 3 percent of the funds appropriated have been expended. Furthermore, many of the cities with the highest unemployment problems—for example, Detroit—have the

lowest rate of expenditure. Thus, of the $6,000,000,000 appropriated to date, only approximately $216,000,000 has been expended. The Committee recognizes that neither the Department nor the public housing authorities are blameless for the delays in the implementation of the program. On a related matter, the Committee is concerned with both the administration's proposal to phase out the program and the public housing authorities' efforts to continue funding the program at an arbitrary level. The Committee believes that it is necessary to undertake a major study to identify how CIAP funds are currently being used and to update the public housing modernization needs inventory. The Committee has provided funds for the conduct of this study under the Department's policy development and research account.

The Committee has earmarked $35,000,000, within the $1,600,000,000 provided for modernization, for the rehabilitation of vacant public housing buildings. This action will permit the completion of the remaining viable projects identified in S. Rept. 97–402 as follows:

Region/Location		Project name	Number of totally vacant buildings	Number of units
I	Providence, R.I.	Roger Williams	12	574
	Boston, Mass.	Columbia Point	1	631
		Mission Hill	1	86
		(Others)	21	1,150
II	Newark, N.J.	Columbus Homes	2	400
		Scudder Homes	2	850
	Virgin Islands		[1]15	316
III	Philadelphia, Pa.	Schuylkill Falls	2	448
	Washington, D.C.	Deanwood	1	56
IV	Mims, Fla.		3	22
VI	Fort Smith, Ark.		1	150
	Oklahoma City, Okla.	Hamilton Courts	1	390
	Total		62	5,073

[1] Estimated.

The Senate bill, unlike the House bill, provides that the funding for section 202, Indian housing, rental rehabilitation, and public housing modernization come from new budget authority. By adopting this approach, the Committee has assured that these programs will be conducted at the levels indicated, regardless of the availability of deobligations. On the other hand, the section 8 existing program and the housing payment certificate program would be contingent upon the availability of recaptures.

RENT SUPPLEMENT

(RESCISSION)

1983 rescission	−$2,830,360,000
1984 budget estimate	−2,374,777,000
House allowance	−2,374,777,000
Committee recommendation	−2,374,777,000

The Committee recommends a rescission of $93,326,000 in contract authority and $2,374,777,000 in budget authority. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Section 101 of the Housing and Urban Development Act of 1965 authorizes rent supplement payments on behalf of low- and moderate-income tenants living in privately owned, operated, and financed housing. Eligible tenants must pay the greater of 30 percent of rent or between 25–30 percent of their income toward the rent with the difference between the tenant payment and actual cost made up by a rent supplement paid directly to the project owner.

The Housing and Community Development Amendments of 1979 redefined the standards for tenant eligibility under the rent supplement program to require that such tenants also meet the eligibility standards of the section 8 program. The 1979 and 1981 amendments also authorized the use of available authority under section 5(c) of the U.S. Housing Act of 1937, as amended, to supplement rent supplement contracts beginning in 1980.

The 1984 budget requests the rescission of $93,326,000 in contract authority and $2,374,777,000 in budget authority under the rent supplement program. The proposed rescission represents residual balances of authority available as a result of the planned conversion of 65,000 rent supplement units to section 8 in fiscal year 1984.

COMMITTEE RECOMMENDATION

The Committee recommends the proposed rescission of up to $93,326,000 in annual contract authority and $2,374,777,000 in budget authority in fiscal year 1984. This is the same as the budget estimate and the House allowance. With the rescission of these funds and the corresponding conversion of these units to section 8, no insured rent supplement units will remain to be converted. The budget also assumes that State-aided, noninsured projects will remain under the rent supplement program and will continue to receive assistance at current funding levels. Language included in the 1983 supplemental appropriations bill (H.R. 3069) provides amendment funds for State-aided, noninsured units over the life of the contract.

RENTAL HOUSING ASSISTANCE PROGRAM

(RESCISSION)

1984 budget estimate	−$483,120,000
House allowance	−483,120,000
Committee recommendation	−483,120,000

The Committee recommends a rescission of $13,320,000 in contract authority and $483,120,000 in budget authority.

PROGRAM DESCRIPTION

The rental assistance payments (RAP) program, authorized by the Housing and Community Development Act of 1974, is designed to aid very low income families in section 236 projects by permitting HUD to provide additional subsidies equal to the difference between the basic rent and 25 to 30 percent of income for a certain percentage of units. Starting in 1982, the tenant rent contribution for program participants is

being increased by 1 percent per year until a level of 30 percent is reached.

Last year, it was assumed that 1983 amendments to deep subsidy contracts on section 236 projects would be financed through available balances carried forward from the prior year and additional authority recaptured during the year as the result of claim terminations. The amount to be made available in this manner, an estimated $6,784,000, was expected to be sufficient to support 1983 RAP amendments. However, higher than anticipated amendment activity in 1982 reduced the amount carried forward and available for 1983 amendment needs. In addition, the estimated 1983 amendment requirements increased from $6,784,000 to $8,429,000. The net result was an annual contract authority shortfall of $3,313,000 required to support 1983 RAP amendments.

As a result of the increasing difficulty in funding RAP amendments, the administration proposes to begin converting insured RAP-assisted projects to the section 8 program. There are approximately 13,000 units in this category and the budget assumes the conversion of 5,000 units in 1983 and the remaining 8,000 units in 1984. The budget also assumes noninsured, State-aided projects will be exempted from the conversion policy and will continue to receive subsidy assistance at existing funding levels under the RAP program.

COMMITTEE RECOMMENDATION

The Committee recommends the proposed rescission of up to $13,320,000 in annual contract authority and $483,120,000 in budget authority in the rental housing assistance program in 1984. This is the same as the budget request and the House allowance. This action and the action taken in the annual contributions account should complete the conversion of the remaining insured RAP units. Language included in the 1983 supplemental appropriations bill (H.R. 3069) provides amendment funds for State-aided, noninsured units over the life of the contract.

HOUSING PAYMENTS (LIQUIDATION OF CONTRACT AUTHORITY)

1983 appropriation	$9,538,000,000
1984 budget estimate	10,697,000,000
House allowance	10,697,000,000
Committee recommendation	10,697,000,000

The Committee recommends an appropriation of $10,697,000,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

This appropriation provides liquidating cash to meet contractual payments falling due in fiscal year 1984 under the section 8 lower income housing assistance program; the public housing program; the rent supplement program; the section 236 rental housing assistance program; the section 235 homeownership assistance program; and the college housing grant program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,697,000,000 for the liquidation of contract authority. This is the same as the budget request and the House allowance. It is estimated that in fiscal year 1984, 3,948,000 subsidized housing units will be eligible for payment including 2,118,000 section 8 units and 1,255,000 public housing units. This level represents an increase of 250,000 above the estimated number of units eligible for payment at the end of fiscal year 1983.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

(LIMITATION ON LOANS)

1983 limitation	$634,200,000
1984 budget estimate	476,000,000
House allowance	666,400,000
Committee recommendation	666,400,000

The Committee recommends a loan limitation of $666,400,000. This is $190,400,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The section 202 program provides direct Federal loans to nonprofit organizations who sponsor the construction and management of housing projects to serve elderly or handicapped families and individuals. The housing projects are designed to provide an assured range of necessary services for the occupants, including health, continuing education, welfare, recreation, counseling, referral, transportation to social services, and means to encourage and assist occupants to use the services and facilities made available. Projects developed under section 202 also carry a section 8 subsidy, which enables the rents of lower-income elderly or handicapped tenants to be reduced to a maximum of 27 percent of their income, during fiscal year 1983. Applications under the two programs are processed simultaneously.

The 1984 budget requests a loan limitation level of $476,000,000 reflecting the proposed reduction in units approved from 14,000 units in 1983 to 10,000 units in 1984. This level of activity would require $436,102,000 of new budget authority (Treasury borrowing). Construction starts and completions during 1984 are projected to decrease by 1,000 and 5,000 respectively based upon the anticipated pipeline of projects under reservation and/or construction at the end of 1983.

The budget also assumes the sale of a portion of the section 202 portfolio beginning in 1983. It is currently estimated that loans in the portfolio with an unpaid principal balance of $750,000,000 in 1983 and $1,000,000,000 in 1984 can be successfully marketed. Proceeds will be utilized to repay outstanding Treasury borrowing under the section 202 program.

COMMITTEE RECOMMENDATION

The Committee recommends $666,400,000 as the loan limitation for the elderly and handicapped program. This is $190,400,000 more than the budget request and the same as the House allowance. This level of funding should support the construction of approximately 14,000 housing units. This is the same level as provided in fiscal year 1983 and 4,000 units more than requested in fiscal year 1984.

The Committee also recommends continuation of language limiting the program to qualified nonprofit sponsors, providing long-term permanent financing and requiring that section 202 loan authority be on budget in fiscal year 1984. The Committee urges HUD to maintain its efforts to increase minority sponsorship of section 202 projects and provide technical assistance to such sponsors.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

1983 appropriation	$1,350,000,000
1984 budget estimate	1,636,500,000
House allowance	1,431,000,000
Committee recommendation	1,362,200,000

The Committee recommends an appropriation of $1,362,200,000. This is $274,300,000 less than the budget estimate and $68,800,000 less than the House allowance.

PROGRAM DESCRIPTION

Under section 9 of the Housing Act of 1937, as amended, public housing operating subsidies are provided to public housing agencies (PHA's) to assist in financing the operation of PHA-owned projects and are required to augment PHA income to help maintain adequate operating and maintenance services and provide for minimum operating reserves. These payments are in addition to the annual contributions for debt service provided by the Department to cover the development, acquisition, or modernization costs of projects.

Currently, operating subsidies provided to public housing agencies are based on a performance funding system formula (PFS) which establishes subsidy payments based on what it would cost a well-managed public housing authority to operate its owned units. Each PHA receives no more operating subsidies than the PFS formula indicates should be required to effectively operate a well-managed PHA of comparable size, location, and characteristics.

As part of the 1984 request, the Department proposed a supplemental rescission for 1983 in the amount of $69,000,000. Amounts provided for 1983 were deemed to be in excess of requirements by this amount.

The 1984 operating subsidy request of $1,636,500,000 reflects a proposed major reform in the method of calculating program requirements. The revised funding formula is based on local fair market rents (FMR's) for existing housing. Amounts requested for 1984 include funding not only for operating costs of public housing, but also to provide funding for capital improvement requirements. This latter feature was designed to preclude the need for separate modernization funding and a

gradual phase out of the modernization program is being proposed. The new approach will offer PHA's the opportunity to allocate their resources between capital and operating needs in accordance with their perception of the best and most efficient use of these funds. A "transition modernization" program is being proposed, starting in 1984, to assist PHA's in making the transition to the new form of assistance.

The administration's 1984 request reflects several measures aimed at reducing program costs. Reflecting the third-year increment of raising the rent-income ratio to 30 percent of income for all tenants by 1986, current public housing tenants will pay 28 percent of adjusted income as rent. In addition, the rent of new tenants will be based on 30 percent of income in 1983. In addition, estimates also include the impact of a proposal to reflect the value of food stamps in determining tenant rent payments.

COMMITTEE RECOMMENDATION

The Committee recommends a level of $1,362,200,000 for public housing operating subsidies. This is $274,300,000 less than the budget request and $68,800,000 less than the House allowance. The Committee recommendation is $12,200,000 more than the fiscal year 1983 appropriation. Since both the Senate and House authorizing committees have rejected the FMR concept, the fiscal year 1984 PFS estimate was used as the basis for computing operating subsidies. The latest estimate for the PFS base was $1,409,700,000. The Committee adjusted this amount to account for differences in assumptions concerning: food stamps, permissable rent increases, and fuel cost estimates. In addition, the Committee subtracted the $69,000,000 in fiscal year 1983 funds that will be available for use in fiscal year 1984 and an additional $80,000,000 in fiscal year 1983 funds that might also be in excess of the fiscal year 1983 PFS requirements. As a result of these adjustments, the fiscal year 1984 appropriations level is estimated to exceed the fiscal year 1983 PFS requirements by $161,200,000.

As in the past, the Committee intends to fund the PFS at 100 percent of the requirements. In the event that additional funding is needed, the Committee intends to recommend, as it has in the past, such funding in a supplemental.

INDIAN HOUSING GRANTS

1983 appropriation	
1984 budget estimate	
House allowance	$76,000,000
Committee recommendation	

The Committee recommends no appropriation for this program during fiscal year 1984. This is $76,000,000 less than the budget request and the same as the House allowance.

PROGRAM DESCRIPTION

An appropriation of $76,000,000 is being requested for 1984 for a new Indian housing grant program aimed at producing new homes in Indian areas. The new approach involves FHA mortgage insurance, con-

struction writedowns, and rental housing assistance certificates. The objective of the program is to provide Indian tribes with greater flexibility to administer their housing programs without unnecessary Federal controls, bring private sector financial involvement to the Indian reservations and to assure that new housing will be produced for Indian families with the lowest income on a cost-effective basis. Indian tribes would administer the program but could delegate this responsibility to Indian housing authorities.

COMMITTEE RECOMMENDATION

The Committee is recommending no funding for this program in fiscal year 1984. The reduction is consistent with retaining 3,000 Indian housing units under the assisted housing account and providing additional funds under the community development block grants program for Indian housing water and sewer grants.

The Committee notes that this is a new program proposal which has not been authorized. The Committee will consider other funding mechanisms designed to meet Indian housing needs when such programs are authorized.

TROUBLED PROJECTS OPERATING SUBSIDY

PROGRAM DESCRIPTION

The Secretary provides assistance payments to owners of certain HUD-insured or HUD-held financially troubled multifamily subsidized housing projects in order to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low- and moderate-income tenants. These payments are designed to fund deferred maintenance and replacement reserves, and operating deficits where owners can demonstrate to the Department that projects are well managed or that improvements in management will be made, allowing the projects to become self-sustaining.

Projects eligible for flexible subsidy assistance include those which are subsidized under the section 236, section 221(d)(3) below market interest rate and rent supplement programs, and have mortgages insured or held by the Department. Non-HUD-insured projects developed by State agencies and receiving assistance under one of the aforementioned programs also are eligible. However, the Department is proposing to eliminate the eligibility of such noninsured projects.

During 1984, the Department plans to fund activities through the use of excess rental income from the rental housing assistance fund. No additional appropriation is requested to support planned 1984 activity.

COMMITTEE RECOMMENDATION

The budget does not propose an appropriation for this program in 1984. However, requested language has been included in both the House and Senate versions of the bill to make funds available from unobligated balances of excess rental charges and collections. In addition, language making noninsured State projects eligible for subsidy is continued for fiscal year 1984.

HOUSING COUNSELING ASSISTANCE

1983 appropriation	$3,500,000
1984 budget estimate	
House allowance	5,000,000
Committee recommendation	

The Committee recommends no appropriation for this account in fiscal year 1984. This is the same as the budget estimate and $5,000,000 less than the House allowance.

PROGRAM DESCRIPTION

Under section 106(a) of the Housing and Urban Development Act of 1968, as amended, the Department has been authorized to contract with public and private agencies to provide counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership.

No appropriation is requested for 1984 by the Department. However, the Department will continue to certify and/or recertify local public and private nonprofit agencies that provide HUD-approved housing counseling assistance.

COMMITTEE RECOMMENDATION

The Committee has not included funding for this program in fiscal year 1984. The Committee notes that a recent HUD review of housing counseling casts serious doubt on the effectiveness of the program. In addition, communities may use community development block grants for these purposes.

One of the concerns raised by the HUD review was the qualifications of housing counselors and the lack of data on the effectiveness of the various approaches used by different counseling agencies.

Therefore, the Committee directs that the Department undertake a study to determine the most effective counseling procedures and the training requirements for counselors. Such a program should be funded through the Secretary's discretionary fund. A report should be submitted to the Committee no later than April 2, 1984.

FEDERAL HOUSING ADMINISTRATION FUND

1983 appropriation	$240,022,000
1984 budget estimate	252,974,000
House allowance	252,974,000
Committee recommendation	252,974,000

The Committee recommends an appropriation of $252,974,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Federal Housing Administration fund covers the mortgage and loan insurance activities of about 40 HUD mortgage/loan insurance programs, including coinsurance, which are grouped into the mutual mortgage insurance fund, cooperative management housing insurance fund, general insurance fund, and the special risk insurance fund.

The appropriation reimburses the FHA fund for losses sustained by the special risk insurance fund and the general insurance fund. These losses are largely attributable to the sale of HUD-acquired properties and the liquidation of assigned mortgages. The general insurance fund provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for cooperatives, condominiums, housing for the elderly, land development, group practice medical facilities, and nonprofit hospitals. The special risk insurance fund provides mortgage insurance on behalf of mortgagors eligible for interest reduction payments who otherwise would not be eligible for mortgage insurance; insurance on mortgages covering experimental housing where strict adherence to State or local building regulations is not observed; and insurance for high-risk mortgagors who normally would not be eligible for mortgage insurance.

The administration intends to implement the temporary mortgage assistance payments program (TMAP), designed to prevent precipitous foreclosure by helping insured homeowners who have experienced temporary financial difficulties and cannot make their full monthly mortgage payments. This program is being viewed by the administration as a viable alternative to the current home mortgage assignment program. Under the TMAP program, HUD would make monthly payments on behalf of single family mortgagors who are at least 3 months in arrears as a result of economic reversals which temporarily prevent the mortgagors from making up their delinquency.

Beginning in July 1983, the Department plans to revise the method for collecting mortgage insurance premiums on home loans. The Department proposes collection of premiums at loan settlement in an amount reflecting the discounted present value of the expected cost of providing insurance over the life of the loan. The amount of premium due at settlement will be an eligible expense included in the approved loan amount.

Also beginning in fiscal year 1983, the Department plans to expand its current demonstration for delegated insurance processing for single-family insurance processing to a nationwide basis. Under this program, participating eligible mortgagees will be responsible for all processing required under the conditional and firm commitment stages. The shift to delegated processing is expected to substantially reduce the Department's insurance processing workload and also reduce the time required for insurance processing.

The Department also is proposing a limitation of $39,800,000,000 for gross mortgage and loan insurance commitments during fiscal year 1984. This request represents a reduction of $11,100,000,000 from the limitation of $50,900,000,000 proposed by the administration for fiscal year 1983. The proposed reduction is based on the assumption that insurance demands will return to more normal levels in 1984 after adjusting for the abnormally high level of mortgage refinancings that have taken place in 1983 as a result of the sharp drop in mortgage interest rates.

The 1984 budget also proposes a direct loan limitation of $56,390,000 for additional direct loan assistance for an estimated 3,150 homeowners under the TMAP program.

COMMITTEE RECOMMENDATION

The Committee recommends $252,974,000 to fund unrestored losses to the Federal Housing Administration fund. This is the same as the budget request and the House level. The appropriation includes $99,640,000 for the special risk insurance fund and $153,334,000 for the general insurance fund. Through fiscal year 1983, $3,341,794,000 has been appropriated to cover losses in these two funds.

The budget also requested language limiting temporary mortgage assistance payments to $56,390,000 in fiscal year 1984. The House and Senate bills include the requested limitation.

For the fiscal year 1984 FHA gross mortgage and loan insurance commitments, the Committee recommends $50,900,000,000. This is the same as the fiscal year 1983 request level, but $11,100,000,000 higher than the fiscal year 1984 budget request. The amount recommended is also $5,000,000,000 higher than the House allowance and reflects the Committee's confidence in a sustained economic recovery in the housing industry.

The Committee has included bill language authorizing the Department to pay debt collection contractor fees from the amounts collected by such contractors. Authorization for the use of fees is required under the Debt Collection Act of 1982 (Public Law 97–365).

The Committee understands that requests for appraisals, new loan applications, and refinancing of loans have increased substantially and that, as a result, processing delays are occurring in a number of FHA offices. The Committee directs the FHA to undertake efforts to curtail delays and to improve the efficiency of processing in FHA loan programs.

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

The low-rent public housing loan fund provides Federal financing for the construction, acquisition, or modernization of public housing projects owned by public housing agencies (PHA's) until the projects can be financed in the private market with short-term tax exempt notes and in the long-term market through the sale of instruments to the Federal Financing Bank (FFB). Although funds to make debt service payments on tax-exempt bonds and notes are provided from the housing payments appropriation, additional payments are required to cover the differential between tax-exempt bonds with interest set at an artificially low 6.625 percent rate and selling bonds to the FFB at a federally-taxable interest rate in accordance with section 16 of the Federal Financing Bank Act of 1973.

The Department proposed to sell long-term bonds in the private market at federally-taxable interest rates beginning in 1983. In order to accomplish this, it was further proposed that $1,414,000,000 of "Annual contributions for assisted housing" budget authority which was enacted

in 1983 be used in support of such sales in 1983 and 1984. However, under the terms of Public Law 98–8, the Department is directed to use $405,000,000 in support of tax-exempt sales.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES

1983 appropriation	$2,726,000
1984 budget estimate	1,997,000
House allowance	1.997,000
Committee recommendation	1.997,000

The Committee recommends an appropriation of $1,997,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

In accordance with the Housing Act of 1964, the participation sales program provides for the pooling of mortgages or other types of obligations of certain Government departments and agencies, and the sale by GNMA of beneficial interests or participations in these pools. The Participation Sales Act of 1966 authorized appropriations to cover payments for insufficiencies in the amount required to be paid on the outstanding participations. These insufficiencies are comprised of interest payments to holders of participation certificates in excess of the interest payments received from the pooled mortgages or other obligations.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $1,997,000 to cover the insufficiencies that arise from participation sales of mortgages. This is the same as the budget request and House allowance.

GUARANTEES OF MORTGAGE-BACKED SECURITIES

(LIMITATION ON GUARANTEED LOAN)

1983 limitation	$68,250,000,000
1984 budget estimate	58,650,000,000
House allowance	58,650,000,000
Committee recommendation	68,250,000,000

The Committee recommends a loan limitation of $68,250,000,000 for the mortgage-backed securities program. This is $9,600,000,000 more than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Government National Mortgage Association (GNMA) through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a

trust or pool composed of mortgages that are guaranteed by the Federal Housing Administration, the Farmers Home Administration, or the Veterans Administration. GNMA's guarantee of mortgage-backed securities is backed by a full faith and credit of the United States.

The proposed commitment level of $58,650,000,000 for fiscal year 1984 reflects a decrease of $9,600,000,000 from the estimated 1983 commitment level. The level proposed for 1984 is based upon a new formula devised by the Government National Mortgage Association. The calculation of the requested commitment limit is based on the relationship, historically measured, between FHA and VA volume and GNMA activity.

In July 1983, GNMA will initiate the GNMA II program in an effort to bring state-of-the-art technology into the existing program. GNMA II will provide issuers with the ability to mix loans with different interest rates in the same pool. This is especially important during periods of rapidly changing interest rates. Moreover, this initiative will reduce the cost of securities administration by eliminating the requirement for lenders to make individual monthly payments to certificate holders through the use of a central paying agent. Upon implementation, GNMA II will complement the existing program by providing participants with the choice of two securities formats.

COMMITTEE RECOMMENDATION

The Committee recommends a GNMA limitation on guaranteed loans of $68,250,000,000 in fiscal year 1984. This is $9,600,000,000 more than the budget request and the House allowance.

The Committee has adopted the fiscal year 1983 level for the GNMA limitation. The housing recovery is well underway. The percent of FHA/VA loans being pooled in MBS issues is running at historically high levels. Consequently, this does not appear to be a proper time for a reduction in the commitment level.

The Department is directed to notify the Committee promptly if it appears the limitation will require a moratorium on commitments. If program demand exceeds the current estimate, the Committee will consider raising the limitation in a supplemental appropriations bill.

Solar Energy and Energy Conservation Bank

ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS

1983 appropriation	$20,000,000
1984 budget estimate	.....
House allowance	25,000,000
Committee recommendation	25,000,000

The Committee recommends $25,000,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The Solar Energy and Energy Conservation Bank was established by title V of the Energy Security Act of 1980 to encourage energy conservation and the use of solar energy to reduce the Nation's dependence on foreign sources of energy supplies. The Bank's financial assistance program provides loan subsidies and matching grants for energy conservation measures in residential and multifamily buildings completed before January 1, 1980, and loan subsidies for passive solar systems in residential buildings. In accordance with statutory requirements, the levels of financial assistance for these conservation measures are limited based on income level.

The Department proposes that no additional budget authority be enacted for the Bank in 1984 and that any unobligated balances (estimated at $11 million) be transferred to the Department of Health and Human Services.

COMMITTEE RECOMMENDATION

The Committee recommends $25,000,000 for the Solar Energy and Energy Conservation Bank during fiscal year 1984. The Committee notes that there is a current unobligated balance of $11,000,000 available for solar and energy conservation improvements.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

1983 appropriation	$4,456,000,000
1984 budget estimate	3,500,000,000
House allowance	3,470,000,000
Committee recommendation	3,463,200,000

The Committee recommends an appropriation of $3,463,200,000. This is $36,800,000 below the budget estimate and $6,800,000 less than the House allowance.

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. The community development grants finance activities previously eligible under separate categorical grant programs. Spending priorities are determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment and expanded economic opportunities for lower-income groups. Grant recipients are required to estimate their low-income housing needs and address them in the overall community development plan they submit to receive their grant.

The Housing and Community Development Act of 1977 changed the original single statutory formula for distributing grant funds to eligible recipients, in recognition that the original formula did not adequately assess the relative needs of older urban centers. Under provisions of the 1977 act, funds are distributed to eligible recipients for community de-

velopment purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. The act also authorized additional funding for nonentitlement communities to help smaller communities deal with their problems in a more comprehensive manner.

The Housing and Community Development Amendments of 1981 include a scaled-down Secretary's discretionary fund, an entitlement program for large cities and urban counties, a block grant (nonentitlement) program for the States to assist their smaller localities, and a revised method of fund distribution. Beginning in 1982, funds appropriated are distributed 70 percent to entitlement communities and 30 percent to nonentitlement communities after deducting a designated amount for the Secretary's discretionary fund.

Legislation is proposed to authorize new housing construction as an eligible activity beginning in 1984. Also in 1984, the level of block grant assistance provided to Indian tribes under the Secretary's discretionary fund is proposed to be increased from $31,000,000 to $75,000,000.

The budget proposes discontinuing the section 108 loan guarantee program in 1984. A commitment limitation of $225,000,000 was available for this program in 1983.

COMMITTEE RECOMMENDATION

The Committee recommends $3,463,200,000 for the community development block grant program. This is $36,800,000 less than the budget request and $6,800,000 less than the House allowance. The Committee recommendation provides $63,700,000 for the Secretary's discretionary fund. The reduction is the net effect of: a reduction of $44,300,000 in the Indian program and a result of the funding of Indian housing through the assisted housing account; an increase of $4,000,000 for grants for water and sewer systems to serve Indian housing; an increase of $2,500,000 for a neighborhood development demonstration program; an additional $2,000,000 for increased technical assistance to small communities in conjunction with the urban development action grants program; and a general reduction of $1,000,000 from the Secretary's discretionary fund.

The Committee notes that both the Senate and House housing authorization bills contain a new neighborhood development demonstration grants program, which attempts to stimulate neighborhood revitalization through public-private partnerships. The Committee believes that such revitalization efforts are vital to the future of our urban areas and should be actively encouraged by HUD. The Committee, therefore, directs the Secretary to utilize $2,500,000 of the funds appropriated for the Secretary's discretionary fund under title I to implement a program of matching grants to neighborhood organizations, as outlined in the neighborhood development demonstration program. The Committee intends to actively monitor this appropriation to insure that the funds are utilized as directed.

The Committee has included a provision which allows those entities which were classified in fiscal year 1983 as "metropolitan cities" pur-

suant to section 102(a)(4) of the Housing and Community Development Act of 1974 to continue to be considered metropolitan cities until September 30, 1984, for purposes of this appropriation. This is consistent with S. 1338, the Housing and Community Development Act of 1983, as reported from the Committee on Banking, Housing, and Urban Affairs on May 23, 1983.

The Committee commends the Department's support of its district heating/cooling initiative and recognizes the community development benefits these systems bring to urban areas. The Committee expects HUD to maintain this modest but effective program at a level which permits continued participation by communities at a level comparable to that achieved during fiscal year 1983.

URBAN DEVELOPMENT ACTION GRANTS

1983 appropriation	$440,000,000
1984 budget estimate	196,000,000
House allowance	440,000,000
Committee recommendation	440,000,000

The Committee recommends an appropriation of $440,000,000. This is $244,000,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

Under section 119 of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award urban development action grants (UDAG). The Housing and Community Development Amendments of 1981 include a revised action grant program which relies on increased local flexibility and minimizes Federal involvement.

The primary objective of UDAG is to revitalize distressed communities by stimulating economic development, which in turn will create new permanent jobs and new sources of tax revenue. Grants assist severely distressed cities, towns, and urban counties in the revitalization of their economic bases and the reclamation of deteriorated neighborhoods.

Under provisions of the Housing and Community Development Amendments of 1979 assistance may be provided also for economic development and neighborhood revitalization projects targeted to severely distressed areas, or pockets of poverty in otherwise nondistressed communities. The Secretary is authorized to use up to 20 percent of the UDAG funds appropriated for the purpose of making grants to eligible pockets of poverty jurisdictions.

A major focus of the UDAG program, and one that tends to distinguish it from other urban aid programs, is the requirement that leveraging of private investment in discrete projects in distressed cities and urban counties must be in evidence before UDAG funding is approved.

COMMITTEE RECOMMENDATION

The Committee recommends $440,000,000 for the urban development action grant program. This is $244,000,000 more than the budget request and the same as the House allowance. The Committee's action restores the program to its fiscal year 1983 level.

The budget request of $196,000,000 would have continued the program at the $440,000,000 level in 1984, assuming the adoption of a proposed 1983 deferral of $244,000,000 (D83–32A). The Congress disapproved the deferral in the 1983 Emergency Jobs Appropriations Act (Public Law 98–8).

Past evaluations by the Department have found the UDAG program and its granting mechanism to be successful and effective. The Committee has, therefore, provided $440,000,000 in 1984 to continue the UDAG program at its current level.

REHABILITATION LOAN FUND

PROGRAM DESCRIPTION

Section 312 of the Housing Act of 1964, as amended, authorized the Secretary to make loans for the rehabilitation of single family and multifamily residential properties and nonresidential properties in federally aided community development grant, urban homesteading, urban renewal and code enforcement areas certified by local governments. In fiscal year 1982, financial assistance was available for rehabilitation of multifamily residential units, and single family units which are located in urban homesteading areas. Section 312 assistance is available only when financing cannot be obtained, on comparable terms and conditions, from other sources. In most cases, the rehabilitation work must make the property conform to applicable rehabilitation standards established by the community. In fiscal year 1983, loans under the program were made at interest rates as low as 3 percent for terms not exceeding 20 years for families whose income was 80 percent or less of area median income. All other loans had an interest rate of 9 percent except for multifamily dwellings where the interest rate was 5 percent when the amount of nonsubsidized funds for rehabilitation was equal to or greater than the section 312 loan.

The Department proposes to terminate the rehabilitation loan program at the end of fiscal year 1983. The administration believes that the section 312 program duplicates rehabilitation efforts funded by community development block grants and that more effective results can be realized under the proposed rental rehabilitation grants program.

COMMITTEE RECOMMENDATION

The Committee continues to support the section 312 program and does not believe termination is warranted. Therefore, the Committee agrees with the House that continuation of the program on a reduced scale is appropriate. An estimated $71,500,000 from repayments and other income sources will be available in 1984 for new loans and other expenses. The Committee has included language in the bill to continue the program in 1984 with repayments. The Department is directed to allocate sufficient staff to maintain this program level.

URBAN HOMESTEADING

1983 appropriation	$12,000,000
1984 budget estimate	12,000,000
House allowance	12,000,000
Committee recommendation	12,000,000

The Committee recommends an appropriation of $12,000,000 for the urban homesteading program. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Section 810 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to transfer, without payment, to a unit of general local government, State or public agency, any HUD-owned, unoccupied, one- to four-family residences for use in an approved urban homesteading program.

In addition, section 810 authorizes the Administrator of Veterans Affairs and the Secretary of Agriculture to transfer their unoccupied, one- to four-family residences for use in HUD-approved urban homesteading programs.

The funds appropriated for urban homesteading will reimburse the Federal Housing Administration fund for HUD-owned properties, the Administrator of Veterans Affairs for Veterans Administration (VA) properties, and the Secretary of Agriculture for Farmers Home Administration (FmHA) properties used by approved homesteading localities.

The budget estimates the transfer of 818 single family properties in 1984, which includes approximately 150 VA and 75 FmHA properties.

The budget also proposes that $3,000,000 of the appropriation be used to support a multifamily homesteading demonstration. This amount would permit the transfer of 15 HUD-held multifamily properties, averaging 30 units each. This proposed demonstration would be used to address deteriorated multifamily housing stock.

COMMITTEE RECOMMENDATION

The Committee recommends $12,000,000 for the urban homesteading program. This is the same as the budget request and the House allowance. In making this recommendation, the Committee recognizes that the multifamily program is, in fact, a demonstration and the extent to which the conversion of the estimated 15 properties will actually be feasible is, indeed, unknown. In the event that these conversions prove infeasible, the Committee expects the Department to apply the remainder of the $3,000,000 set-aside to the basic one- to four-family residence program. Furthermore, the Committee expects a report on the progress and problems encountered in the multifamily demonstration program by March 11, 1984.

RENTAL REHABILITATION GRANTS

1984 budget estimate	$150,000,000
House allowance	
Committee recommendation	300,000,000

The Committee recommends an appropriation of $300,000,000. This is $150,000,000 more than the budget request and $300,000,000 more than the House allowance..

PROGRAM DESCRIPTION

The budget proposes legislation for a rental rehabilitation grants program. Under this grant program, assistance would be provided to States and units of general local governments to enable the rehabilitation of privately owned properties located in low- and moderate-income areas to be used for residential rental purposes. This new program would be used in conjunction with the proposed section 8 housing payment certificate program and would replace the section 312 rehabilitation loan and section 8 moderate rehabilitation programs. It is estimated that the appropriation request would support the rehabilitation of 30,000 units at an average grant of $5,000 per unit for an estimated total rehabilitation effort of $300,000,000 (including other public/private matching funds).

COMMITTEE RECOMMENDATION

The Committee recommends $300,000,000 for the rental rehabilitation grants program. This is $150,000,000 more than the budget request. The House did not include any funds for this new initiative. The Committee's recommendation is consistent with the program level contained in the Senate housing authorization bill (S. 1338). The Committee expects that the $300,000,000 will be sufficient to fund the rehabilitation of approximately 50,000 units. Consequently, the Committee has included $479,000,000 in budget authority in the assisted housing account to provide 50,000 housing payment certificates.

New Community Development Corporation

NEW COMMUNITIES FUND

PROGRAM DESCRIPTION

The new communities program, authorized by the Housing and Urban Development Acts of 1968 and 1970, has provided loan guarantee assistance to 13 new communities. In addition, three other communities received certificates of eligibility which qualified them for Federal grants and housing program assistance. The new communities fund, a revolving fund, was established to provide for timely payment of liabilities incurred as a result of guarantees, grants, or loans, and payment of obligations issued to the Secretary of the Treasury, as well as other program expenses. Financing for this fund includes receipts from fees and charges, recoveries, interest income, other receipts or proceeds of the program, and borrowings from the U.S. Treasury.

The loan guarantees provided by the program were anticipated to be adequate until income from the sale of developed land was sufficient to meet current cash needs of the communities and repay the guaranteed debt. However, nine of the loan guarantee communities failed, and the Department acquired their assets. Three loan guarantee communities

were unable to meet all their obligations, and the Department was servicing their guaranteed debt. Only one of the communities is financially successful. The Department has substantially sold the assets of eight of the nine acquired communities, has sold its interest in the three communities not meeting their debt service, and expects to terminate the Federal Government's relationship with the one successful community and two of the three certificate of eligibility communities by the end of fiscal 1983. Moreover, financing for the program has been insufficient, and the new communities fund outstanding debt to the Treasury is estimated to be approximately $400,000,000 by the end of fiscal 1983.

The Department proposes forgiveness of the debt to the U.S. Treasury, termination of the new communities program, and transfer of the assets and liabilities of the new communities fund to the Department's revolving fund (liquidating programs) account in 1984.

COMMITTEE RECOMMENDATION

The House and Senate bill includes language to transfer the assets and liabilities of the new communities fund to the revolving fund (liquidating programs). The Department expects that all property and other assets will be disposed of and the new communities program terminated in 1983. Any expenses necessary to complete the orderly liquidation of the program will be funded by the revolving fund (liquidating programs) in 1984.

The Committee is aware that the Radisson New Community Development is in the process of negotiating a termination agreement with the New Community Development Corporation (NCDC). Integral to the further independent development of the Radisson project is the completion of the Drake's Landing Road. In the interest of providing for an orderly transition of this project which will encourage new development, the Committee urges the Secretary to utilize up to $1,300,000 in funds from the title I discretionary account as authorized by section 107(b)(1) of the Housing and Community Development Act of 1974 for the same purpose.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

1983 appropriation	$18,000,000
1984 budget estimate	18,000,000
House allowance	15,000,000
Committee recommendation	21,000,000

The Committee recommends an appropriation of $21,000,000. This is $3,000,000 more than the budget estimate and $6,000,000 more than the House allowance.

PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, studies, testing, and demonstrations related to the Department's mission. These functions are carried out through grants to and contracts with industry, non-

profit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research program serves as a focal point for research, analysis, data collection, and dissemination of concerns and issues related to the major programs and objectives of the Department.

In 1984, the research and technology program will provide analytic support to the Department's effort to improve the operation of its programs. Particular areas of study will include: (1) increasing the efficiency and effectiveness of assisted housing programs through reforms of existing programs and evaluation of alternative programs; (2) analyses of new or improved alternatives for urban economic development; (3) analyses of Federal housing finance programs, financial institution regulation and reform, and alternative tax and other financial incentives for housing; (4) ways to reduce the component costs of housing (costs of development, building, financing, and operating); (5) development and dissemination of information about better methods for city management and delivery of local government services; (6) identification of successful neighborhood strategies and development of guidance materials on community growth strategies; and (7) ways to promote more effective enforcement of the fair housing laws.

COMMITTEE RECOMMENDATION

The Committee recommends $21,000,000 for this account. This is $3,000,000 more than the budget request and $6,000,000 more than the House allowance. The Committee recommendation is based on providing: $4,000,000 for housing research; $8,200,000 for the American Housing Survey; $3,000,000 for community and urban research; $1,800,000 for research support; and $4,000,000 for a study on the modernization needs of the public housing stock.

The Committee has included extra funds to conduct a study of public housing modernization. Current estimates of modernization needs are uncertain and are based on extrapolations of data from research done by a joint venture of Perkins and Will with the Ehrenkrantz Group in 1978. The Perkins and Will research is now dated and had too small a sample size to permit an efficient allocation of funds. A study with a larger sample size would enable the Department to obtain more accurate data and permit more specific allocation of funds to field offices and public housing authorities. The study, which would be conducted by the Office of Policy Development and Research, would provide estimates of modernization needs required to bring public housing stock to applicable property standards and to complete the job of cost-efficient energy modernization. In addition to providing program level cost estimates, the work would enable the Department to increase the effectiveness of the program, to identify ways of reducing long-term subsidy requirements, and to provide an optimal funding plan to meet the above objective.

The Committee notes that the House has earmarked $950,000 for the Housing Assistance Council (HAC) in this account. The Committee strongly supports the Department's continuation of funding for HAC.

The Council is a nonprofit organization which attempts to improve housing, credit availability, and sanitation facilities in rural areas. The Committee has removed the House earmarking from this account and instead included the required $950,000 as a line item in the bill under the Department's salaries and expenses account.

In Senate Report 97–163, the Committee stated its expectation that the Department would enter into contractual relations with the National Institute of Building Sciences (NIBS) to create a system to annually review and assess the status and progress of the Department's research program and to provide input on the following year's research agenda. This expectation was not realized; therefore, the Department is directed to work with NIBS to develop and maintain an annual national housing technology research agenda, with appropriate input from both the public and private sectors of the economy. The Committee notes that the creation of such an agenda also is of interest to the House as expressed in its Report No. 98–123.

In partial response to other expectations of the House as expressed in its Report No. 98–123, and in S. 644, the Committee also directs the Department to work with NIBS to bring housing community input to the future course of the Department's program for determining the technical suitability of new building components, systems, and materials for use in assisted and insured housing, particularly those which will improve the quality and reduce the cost of housing construction and rehabilitation.

Fair Housing and Equal Opportunity

FAIR HOUSING ASSISTANCE

1983 appropriation	$5,700,000
1984 budget estimate	4,700,000
House allowance	4,700,000
Committee recommendation	4,700,000

The Committee recommends an appropriation of $4,700,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The fair housing assistance program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies. The program also provides assistance to community housing resource boards, which enhance the ability of the Department to carry out its voluntary compliance and enforcement program. The community housing resource boards consist of representatives of community organizations throughout a metropolitan area and serve in an advisory capacity to the housing industry, reviewing the progress and effectiveness of voluntary compliance and enforcement agreements.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $4,700,000 for this activity in fiscal year 1984. This includes $3,700,000 in grants to support approximately 90 State and local fair housing agencies for capacity building, training, and complaint processing and monitoring. In addition, $1,000,000 is provided to support community housing resource boards.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

	By transfer	*FHA funds*
1983 appropriation	$307,500,000	[1]($277,723,000)
1984 budget estimate	303,107,000	(271,114,000)
House allowance	300,000,000	(271,114,000)
Committee recommendation	300,950,000	(271,114,000)

[1] Includes $10,000,000 in proposed pay raise supplemental (H.R. 3069).

The Committee recommends an appropriation of $300,950,000. This is $2,157,000 less than the budget estimate and $950,000 more than the House allowance.

PROGRAM DESCRIPTION

The appropriation proposed by the Committee would finance all salaries and related expenses associated with administering the programs of the Department of Housing and Urban Development, including the following activities:

1. *Housing and mortgage credit programs.*—This activity includes staff salaries and related expenses associated with administering housing programs and the Government National Mortgage Association (GNMA).

2. *Community planning and development programs.*—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs.

3. *Equal opportunity, research, regulatory, and insurance programs.*—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and executive orders; the administration of research programs and demonstrations; and the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction, and safety and real estate settlement procedures.

4. *Departmental management, legal and audit services.*—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary, Office of General Counsel, and the Office of Inspector General as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services.

5. *Field direction and administration.*—This activity includes salaries and expenses for the regional administrators, area office managers, and their staffs who are responsible for the direction, supervision, and performance of the Department's field offices.

COMMITTEE RECOMMENDATION

The Committee recommends $572,064,000, including $271,114,000 from various funds of the Federal Housing Administration, for salaries and expenses of the Department of Housing and Urban Development in 1984. The amount recommended is $2,157,000 below the budget estimate. The decrease is to be applied at the Department's discretion to object classifications other than field personnel compensation and benefits.

The Committee has restored $950,000 of the House reduction for the specific purpose of providing fiscal year 1984 funding for the Housing Assistance Council (HAC). The Committee has included bill language specifically earmarking funds to assure that HAC's rural activities are supported by the Department in fiscal year 1984.

The Committee is deeply concerned about the responsiveness of the Legislation and Congressional Relations Office of the Department of Housing and Urban Development to other than Committee staff. Members of the Appropriations Committee, other Senators and their staffs have experienced slow and inaccurate responses to inquiries. The Committee urges the Secretary to take steps to solve these problems.

The Committee has become aware of HUD initiatives to reduce personnel in the field. The Committee questions the advisability of such a move at a time when loan activity is increasing and when the structure of fiscal 1984 housing programs is unknown because of lack of final action in the authorization and appropriations process. Consequently, the Committee recommends that HUD consider making reductions in central staff rather than in the field offices and directs that HUD not proceed with reductions in the field prior to full discussions with the Committee.

TITLE II—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

1983 appropriation	$10,669,000
1984 budget estimate	10,837,000
House allowance	10,837,000
Committee recommendation	10,462,000

The Committee recommends an appropriation of $10,462,000 for the salaries and expenses of the American Battle Monuments Commission. This is $375,000 less than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The American Battle Monuments Commission is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 6, 1917; for controlling the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military cemetery memorials on foreign soil; 13 monuments and memorials not a part of the cemeteries; and 2 bronze tablets. In addition, the Commission administers four large memorials on U.S. soil.

On October 1, 1979, the Commission assumed responsibility for the operation, care, and maintenance of the American sector of the Corozal Cemetery in the Panama Canal Zone, as directed in Executive Order 12115. This sector, now called the Corozal American Cemetery, contains the remains of 4,836 American veterans and others.

In fiscal year 1984, emphasis will continue to be placed on bringing the Corozal American Cemetery up to Commission standards.

COMMITTEE RECOMMENDATION

The Committee recommends $10,462,000 for the American Battle Monuments Commission. This is $375,000 less than the budget request and the House allowance.

These funds are sufficient to administer, operate, and maintain the American Battle Monuments Commission's military cemeteries, monuments, and memorials throughout the world. This amount will support the budget request for positions and average employment of 387 in fiscal year 1984.

The Committee recommended the $375,000 reduction based on the Commission's realization of an additional $700,000 in fiscal year 1983 as a result of a favorable foreign dollar exchange rate. As a result, the

S.Rept. 98-152 O - 83 - 3

Commission advance funded $375,000 of fiscal year 1984 construction properties in fiscal year 1983. Consequently, the Committee has reduced the fiscal year 1984 request accordingly.

Consumer Product Safety Commission

SALARIES AND EXPENSES

1983 appropriation	[1] $34,038,000
1984 budget estimate	32,000,000
House allowance	34,500,000
Committee recommendation	35,000,000

[1] Includes $530,000 in proposed pay supplemental (H.R. 3069).

The Committee recommends an appropriation of $35,000,000 for the salaries and expenses of the Consumer Product Safety Commission. This is $3,000,000 more than the budget estimate and $500,000 more than the House allowance.

PROGRAM DESCRIPTION

The Commission is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

In carrying out its mandate, the Commission establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and publishes injury and hazard data, and promotes uniform product regulations by governmental units.

The 1981 amendments to the Consumer Product Safety Act (CPSA) require the Commission to analyze costs and benefits of proposed rules, consider the protection afforded by existing voluntary standards and voluntary standards which could be developed and examine all reasonable alternatives to mandatory requirements before proposing standards and major regulations, and again before issuing any such rule on a final basis.

To meet its obligations under the Consumer Product Safety Act and the other legislative mandates listed above, the Commission has developed the following set of programs which address specific product hazards: emerging hazards; fire and thermal burn hazards; electrical hazards; chemical hazards; children's and recreational products program; mechanical hazards, power equipment; and mechanical hazards.

COMMITTEE RECOMMENDATION

The Committee recommends $35,000,00 for the activities of the Consumer Product Safety Commission. This is $3,000,000 more than the budget request and $500,000 more than the house allowance. The Committee recommendation is at the same level as the Senate authorization bill (S. 861).

For the first time in the Commission's history, budget preparation started out with and incorporated selection of priority projects for the upcoming fiscal year. The Committee commends the Commission for taking this approach. Identification as a priority project reflects the Commission's determination that a targeted problem area requires full funding to more urgently accomplish significant reductions in deaths and injuries. The nine priority activities chosen for fiscal year 1984 are:

Chain saws ($653,100).—In fiscal year 1984, the Commission will continue work toward development of a mandatory product safety standard designed to address the kickback hazard, and will work with industry on a voluntary standard as an alternative. In addition, the agency will work on strategies to address nonkickback injuries and will conduct an information and education program to inform consumers how to use chain saws safely.

Chlorocarbons ($579,100).—In fiscal year 1984, CPSC will continue work to analyze the potential risk to consumers from exposure to these chemicals, and, if appropriate, will develop remedial strategy options.

Gas-heating equipment ($541,900).—In fiscal year 1984, the Commission will work with voluntary standards groups (for example, the American National Standards Institute) to improve the safety of these products, and will conduct an outreach program to increase consumer awareness of potential hazards.

Indoor air quality—combustion products ($507,200).—In fiscal year 1984, the Commission will continue to conduct tests to measure consumers' exposure to pollutants from these sources, and will seek the aid of appliance and heater manufacturers to develop appropriate remedial strategies.

Juvenile sports equipment ($540,900).—In fiscal year 1984, the Commission will conduct a detailed analysis of injuries, test protective equipment, and develop proposals to improve safety in the juvenile sports area. Proposals to improve safety may include information and education efforts, rule changes, and equipment improvements.

Particleboard and paneling ($569,600).—In fiscal year 1984, the Commission will continue the evaluation of formaldehyde emissions from these products and the assessment of consumer exposure and risk resulting from the use of these products in conventional (as opposed to mobile) homes. This work will provide the basis for determining whether any action is necessary to reduce possible health hazards.

Poison prevention packaging ($650,500).—In fiscal year 1984, CPSC will investigate and develop proposals, if appropriate, to require child-resistant packaging for certain camphorated products, petroleum distillates, and topical drugs to prevent ingestion injuries from these products. In addition, the agency will continue to monitor market data and

ingestion data, and, if necessary, will develop regulations regarding the use of dual purpose closures.

Safety for older consumers ($426,800).—In fiscal year 1984, the Commission will undertake a major outreach effort to reach America's 14 million older consumers. The hazards of fire, scalds, and falls will be addressed.

Smoldering ignition ($435,500).—In fiscal year 1984, the Commission will continue its cooperative efforts with industry to improve the resistance of upholstered furniture to cigarette ignition. In addition, CPSC will analyze injury data associated with mattress and bedding fires, and will develop remedial strategies for the hazard.

While the Committee endorses, and has encouraged, the process that led to development of the above priorities, the Committee does, however, have some concern about the nature of two of the nine priorities for fiscal year 1984. In particular, the Committee believes that the priorities must represent targeted programs for which specific objectives and schedules can be established. The Committee does not believe that the juvenile sports equipment and the safety for older consumer priorities meet the requirements of well-defined program areas. While the Committee has provided the full budget request for these two priorities, it does not intend to provide funding for such vague priorities in the future. The Committee does not, however, expect the Commission to apply any of the additional funds to these two priorities. Of the additional $3,000,000 provided, the Committee expects no less than $1,000,000 be devoted to enhancing the activities of the other seven priority projects (exclusive of personnel costs).

The Committee agrees with the House that the Commission should target its information and education activities to a limited number. These information and education programs should be carried out based on established plans with specific goals and objectives. An evaluation component should be an integral part of each campaign. Such evaluations should attempt to assess behavioral changes in order to determine the program's tangible benefits and ultimate success in reducing deaths and injuries. Resources devoted to information and education in 1984 should not exceed the historical share of the total budget.

Department of Defense—Civil

Cemeterial Expenses, Army

SALARIES AND EXPENSES

1983 appropriation	$6,682,000
1984 budget estimate	8,203,000
House allowance	8,203,000
Committee recommendation	8,203,000

The Committee recommends an appropriation of $8,203,000 for the cemeterial expenses of the Department of the Army. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Responsibility for the operation of Arlington National Cemetery and Soldiers' Home National Cemetery is vested in the Secretary of the Army. As of September 30, 1982, Arlington and Soldiers' and Airmen's Home National Cemeteries contained the remains of 200,757 persons and comprised a total of approximately 628 acres. There were 2,749 interments and 775 inurnments in fiscal year 1982; 2,935 interments and 825 inurnments are estimated for the current fiscal year; and 3,020 interments and 850 inurnments for fiscal year 1984. During fiscal year 1984 two construction projects, that is, Columbarium 5,000 niches and road repair, will be undertaken at Arlington National Cemetery.

COMMITTEE RECOMMENDATION

The Committee recommends $8,203,000 for Army cemeterial expenses. This is the same as the budget request and the House allowance. Of the $8,203,000 proposed by the Committee, $6,123,000 would be used for the operation and maintenance of Arlington and Soldiers' Home National Cemeteries, including support for 147 workyears and the procurement of necessary operating supplies and equipment. Construction projects at Arlington National Cemetery are estimated to cost $1,763,000 in 1984. The balance of $317,000 will be spent on administration.

ENVIRONMENTAL PROTECTION AGENCY

1983 appropriation	[1] $3,730,816,600
1984 budget estimate	[2] 3,702,591,000
House allowance	4,081,600,000
Committee recommendation	3,998,100,000

[1] Includes $11,128,400 in proposed pay supplemental (H.R. 3069).
[2] Does not include a proposed budget amendment of $265,500,000.

The Committee recommends an appropriation of $3,998,100,000 for all of EPA's programs in fiscal year 1984. This amount is $295,509,000 more than the budget estimate and $83,500,000 less than the House allowance.

GENERAL DESCRIPTION

The Environmental Protection Agency (EPA) was created through an executive reorganization plan—Reorganization Plan No. 3 of 1970—designed to consolidate certain Federal Government environmental activities into a single agency. The plan was submitted by the President to the Congress on July 8, 1970 and the Agency was established as an independent agency in the executive branch on December 2, 1970 by consolidating 15 components from 5 departments and independent agencies.

A description of EPA's pollution control programs by media follows:

Air.—The Clean Air Act authorizes a national program of air pollution research, regulation, and enforcement activities. Under the act, primary responsibility for the prevention and control of air pollution at its sources rests with State and local government, with a strong mandate

that the Environmental Protection Agency take action when States do not fulfill their responsibilities. EPA's role is to conduct research and development programs, insure that adequate standards and regulations are established to meet environmental goals set by the act, support State and local control activities, and insure that the standards and regulations are effectively enforced. The air program encompasses activities related to the development and implementation of air pollution control strategies and achievement of air quality standards.

Water quality.—The Clean Water Act, as amended in 1977 and 1981, provides the framework for protection of the Nation's waters. The law recognizes that it is the primary responsibility of the States to prevent, reduce, and eliminate water pollution. The States determine the desired uses for their waters, set standards, identify current uses, and, where uses are being impaired or threatened, develop plans for the protection or restoration of the designated use. They implement the plans through control programs such as permitting and enforcement, construction of municipal wastewater treatment works, and nonpoint source control practices.

The Marine Protection, Research, and Sanctuaries Act also forms a part of the framework to protect the Nation's waters. It authorizes the Agency to regulate ocean dumping through the development of regulations and criteria and through an ocean dumping permit program.

The Environmental Protection Agency has the role of establishing national regulations and guidelines to assure that the goals of the acts are met; conducting research and development on methods, procedures, and technologies for water pollution control; making grants to support State and local activities; and insuring that standards and regulations are enforced effectively.

Drinking water.—The purpose of the drinking water program is to assure that the Nation's public drinking water is safe. In the time since a Federal role was established with the Safe Drinking Water Act of 1974, the number of community water systems that are regularly monitoring drinking water quality in conformance with consistent national regulations has increased fourfold. Compliance with the microbiological maximum contaminant level and with monitoring and reportive requirements has increased over the years, so that by the end of 1981 only 10 percent of the community systems were classified as persistent violators of these requirements.

The drinking water program encompasses the following activities: (1) establishing national drinking water standards; (2) protecting underground sources of drinking water, particularly by controlling underground injection of wastes; (3) assisting the States in assuming primary responsibility for monitoring and enforcing compliance with national standards and regulations; and (4) implementing programs for public water system supervision and underground injection control in States.

Hazardous waste.—The Solid Waste Disposal Act, amended by the Resource Conservation and Recovery Act of 1976 (RCRA) established the first national program to protect public health and the environment from the damages caused by improper waste management practices, and

mandated EPA to develop a regulatory program which will reduce risks from improper hazardous waste disposal practices. The act authorized a national program of hazardous waste research, regulation, implementation, enforcement, and financial assistance to support State implementation of this program. EPA's strategy for addressing these responsibilities under RCRA places emphasis on the implementation of a regulatory program for control of hazardous wastes.

Pesticides.—The objective of the pesticide program is to protect the public health and the environment from unreasonable pesticide risks while permitting the use of necessary pest control technologies. This objective is pursued by EPA through three principal means: (1) review of existing and new pesticide products; (2) enforcement of pesticide use rules; and (3) research and development to reinforce the ability to evaluate the risks and benefits of pesticides.

Radiation.—The radiation programs' major emphasis is to minimize the exposure of persons to ionizing radiation, whether from naturally occurring sources, from medical or industrial applications or nuclear power sources. While some exposure to radiation is inevitable, EPA takes the position that no avoidable risk attributable to such exposure should occur to individuals or to the environment without offsetting benefits. EPA pursues this protective goal through three interdependent sets of activities; (1) development of criteria, standards, and guidelines; (2) assessment of the environmental impact of other Federal agency projects and programs; and (3) surveillance of radiation levels in the environment.

Toxic substances.—The Toxic Substances Control Act (TSCA) establishes a program to stimulate the development of adequate data on the effects of chemical substances on health and the environment, and control action for those chemicals which present an unreasonable risk of injury to health or the environment. The act's coverage is broad, affecting more than 58,000 chemicals currently in commerce, all new chemicals, and about 115,000 manufacturers and processors.

The major programs that the Agency must develop and implement to carry out the provisions of the act are those to: (1) require testing of chemicals and submission of reports of existing information by industry and review these and other data to determine chemical hazards; (2) review and act on new chemical and significant new use notifications by industry; (3) control the manufacturing, processing, distribution, use, and disposal of existing chemicals that pose unreasonable risks to health and the environment; (4) enforce these statutory and regulatory programs; (5) conduct research and development to support the implementation of the law; and (6) insure that all Agency programs dealing with toxic substances coordinate and integrate risk assessments, priority-settings and regulatory actions.

Interdisciplinary.—The interdisciplinary medium is designed to support programs where the problems, tools, and results are multidisciplinary in nature and must be coalesced into an integrated program. This integrated program encompasses the Agency's litigation and enforce-

ment policy activities. This concept is also employed in the Agency's efforts to advance the state-of-the-art in the Agency's scientific capabilities and knowledge, to review environmental impact statements (EIS's), to prepare new source EIS's, and to promote compliance of Federal activities with regulations for environmental pollution control.

Energy.—The primary objective of the energy research and development program is to insure that the Nation's energy production and utilization practices proceed in an environmentally acceptable manner. Satisfying this objective requires research and development activities in three distinct areas. These are: (1) developing the scientific data necessary to understand the phenomena of acid precipitation; (2) developing the necessary health and environmental data base associated with new or emerging energy processes; and (3) developing the necessary performance, reliability, and cost data on the limestone injection multistage burner pollution control process.

SALARIES AND EXPENSES

1983 appropriation	[1] $559,741,600
1984 budget estimate	540,389,000
House allowance	612,889,000
Committee recommendation	574,900,000

[1] Includes $11,128,400 in proposed pay supplemental (H.R. 3069).

The Committee recommends an appropriation of $574,900,000. This amount is $34,511,000 more than the budget estimate and $37,989,000 less than the House allowance.

PROGRAM DESCRIPTION

The salaries and expenses appropriation supports all costs of administering EPA's programs, exclusive of grant programs and contractual agreements for specific programs. This account provides support for executive direction, management, and support for all Agency programs at headquarters and the 10 regional offices. In addition to personnel and administrative costs associated with abatement, control and compliance, research and development, and enforcement activities, the salaries and expenses appropriation supports the following functions:

1. *Program management.*—This activity covers the salaries and related expenses for the assistant administrators and immediate staffs in the Offices of Water; Air, Noise, and Radiation; Pesticides and Toxic Substances; Solid Waste and Emergency Response; and Research and Development.

2. *Agency management.*—This activity supports agencywide policy direction and management activities, including the salaries and associated costs for: the immediate Office of the Administrator; the offices which report directly to the Administrator; portions of the Office of Legal and Enforcement Counsel; the Office of Administration; and the Office of Policy and Resource Management.

3. *Regional management.*—This activity supports the regional administrators, their immediate staffs and the staff offices reporting directly to them such as intergovernmental relations, public affairs, and civil rights. Regional management also includes the regions' central management

functions: planning and analysis, budgeting, financial management, personnel management, and administrative services.

4. *Program support.*—This activity supports operation of the laboratories of the Offices of Research and Development; Pesticides and Toxic Substances; and Air, Noise, and Radiation. These costs consist mainly of laboratory and office services, utilities, building maintenance, and other housekeeping items.

5. *Agency support.*—This activity provides general office and building services and support for program operations at EPA headquarters, Research Triangle Park, and Cincinnati. Agency support also includes agencywide costs which are managed at headquarters and which support the needs of all Agency programs. Examples of such costs include facilities rent and ADP support.

6. *Regional support.*—This activity supports basic needs of the regions, including telephone service, guard services, printing and copying services, rental of office equipment, ADP equipment, and other office and building services.

COMMITTEE RECOMMENDATION

The Committee recommends $574,900,000 for EPA's salaries and expenses. This is $34,511,000 more than the budget request and $37,989,000 less than the House allowance. The Committee recommends the following changes to the budget request of $540,389,000:

+$1,000,000 to maintain the current overall level for the Great Lakes research program and eight positions;

+$2,000,000 for 40 positions for the development of health risk assessment data;

+$2,000,000 and 40 positions for pesticide programs, including expanded pesticide monitoring, laboratory audits, and enhanced data management capabilities;

+$1,000,000 and 30 positions, to be allocated to the regions for increased air and water quality monitoring and enforcement;

+$500,000 and 10 positions for the conduct and management of toxic chemicals studies, including dioxin assessment;

+$250,000 and five positions for increased emphasis on advanced coal-burning technology, especially the limestone injection multistage burner; and

+$250,000 and five positions for the implementation of the strategies identified in the Chesapeake Bay study.

The Committee is also providing an additional $27,511,000 on the basis of the requirements identified by the administrator's letter of June 13, 1983. The Committee expects EPA to use these funds to augment its staff and provide the additional support necessary for the Agency to undertake a vigorous environmental protection policy. If and when, the Administrator identifies additional revenue requirements the Committee is committed to process such supplemental request expeditiously.

RESEARCH AND DEVELOPMENT

1983 appropriation	$119,000,000
1984 budget estimate	111,669,000
House allowance	165,600,000
Committee recommendation	142,700,000

The Committee recommends an appropriation of $142,700,000 for EPA's research and development program in fiscal year 1984. This amount is $31,031,000 more than the budget estimate and $22,900,000 less than the House allowance.

PROGRAM DESCRIPTION

EPA's research and development program is designed to produce the scientific knowledge and the tools for regulating, preventing, and abating pollution. The Agency's research and development efforts are conducted through grants, contracts, and agreements with universities, industries, other private commercial firms, nonprofit organizations, State and local government, and Federal agencies, as well as through work performed at EPA's laboratories and field stations.

The research and development program encompasses activities such as research on the effects of pollutants on man, animals, aquatic life, plants, materials, and the general environment; research on the processes, such as dispersion, that affect pollution; the development of new and improved sampling and analytical methods and instruments for measuring pollutants; the development and demonstration of new and improved technology for preventing and controlling pollution and recovery of materials from wastes; and insuring environmental protection necessary to facilitate the use of domestic energy supplies with particular emphasis on coal and the concurrent development of appropriate control technologies for emerging energy systems to minimize control costs and environmental impact.

COMMITTEE RECOMMENDATION

The Committee recommends $142,700,000 for EPA's research and development account. This is $31,031,000 more than the budget request and $22,900,000 less than the House allowance. The $31,031,000 add on recommended by the Committee is to be distributed as follows:

+$4,000,000 for health effects research in air, drinking water, toxics, and radiation, particularly research to assess the health, ground water, and drinking water effects of Temik;

+$6,000,000 to initiate research into the human toxicity of dioxin and other chlorophenols, including comprehensive monitoring of problem areas;

+$5,000,000 to accelerate the development of limestone injection multistage burner technology;

+$1,500,000 for Great Lakes research to continue the current level of effort in research of large lakes and tributaries;

+$1,000,000 for lake quality maintenance and improvement research, including acid rain studies. The Committee also expects EPA to complete the lake restoration procedures guidance manual;

+$500,000 for air and water quality monitoring technology development; and

+$13,031,000 to be applied to high-priority program as determined by the Administrator.

The Committee has provided the additional $13,031,000 on the basis of the requirements identified by the Administrator in his letter of June 13, 1983.

The Committee believes that additional resources should be devoted to the long-term assessment and monitoring of air and water quality. Such a program would serve to establish a more reliable base against which EPA could measure the success of Federal and local programs. Similarly, additional research into the long-term health effects is necessary to provide a basic understanding of the effect of such agents. Health effects research would also provide EPA with the early warning capability it needs to perform its regulatory function.

The Committee directs EPA to conduct research involving methods or mechanisms of on-site clean up, destruction, and degradation of dioxin in the soil, solvent research, and any other new technologies. The Committee requests that whatever funds needed to conduct the initial screening and, when necessary, the full medical testing for the workers at the three freight truck yards on EPA's confirmed dioxin list in Missouri, be made available to the Centers for Disease Control (CDC). This would become a part of the ongoing epidemiological study of CDC.

Consistent with the Committee's expectation regarding use of the services of the National Institute of Building Sciences (NIBS) in studies on the issue of indoor air quality as expressed in S. Rept. 97–163, and the initiation of such services during fiscal year 1982—and consistent with language now contained in H. Rept. 98–212 on this same subject—the Committee directs the administration to enter into discussions with NIBS for assistance in the planning and implementation of the indoor air quality activities authorized. Specifically, such assistance should include establishing and administering an external advisory group; assisting in the planning and conduct of the program; publishing and otherwise disseminating the results of research, development, and demonstration activities under the program for the benefit of the housing and building communities; and reviewing and commenting on progress and on reports submitted under the program.

The Committee further suggests that EPA consider entering into contractual relations with NIBS to initiate development of NIBS-recommended guidelines for the use of materials in building that have the potential for releasing toxic products of combustion during building fires.

ABATEMENT, CONTROL, AND COMPLIANCE

1983 appropriation	$369,075,000
1984 budget estimate	293,933,000
House allowance	521,511,000
Committee recommendation	393,900,000

The Committee recommends an appropriation of $393,900,000 for abatement, control, and compliance activities. This amount is $99,967,-

000 more than the budget estimate and $127,611,000 less than the House allowance.

PROGRAM DESCRIPTION

The Agency's abatement and control effort includes the development of environmental standards; monitoring and surveillance of pollution conditions; grant support for State and local water quality pollution control planning; direct Federal pollution control planning; grant support for State, regional, and local pollution control programs; technical assistance to pollution control agencies and organizations; and assistance to Federal agencies in complying with environmental standards and insuring that their activities have minimal environmental impact.

The compliance activity at EPA—formerly called enforcement under the old appropriation account structure—encompasses the areas of air and water pollution control, drinking water, pesticides, solid waste, and toxic substances. A major part of the Agency's compliance effort involves support of, or cooperation with, State and local enforcement programs, such as enforcement of air quality standards, navigable and interstate water quality standards, issuance of pollution discharge permits, and issuance of hazardous waste permits and compliance monitoring. Notices of violation, abatement orders, enforcement conferences, civil and criminal court actions, and, in the case of pesticides, recalls and seizures, are used by the Agency as tools to implement its enforcement responsibilities.

COMMITTEE RECOMMENDATION

The Committee recommends $393,900,000 for EPA's abatement, control, and compliance functions. This is $99,967,000 more than the budget request and $127,611,000 less than the House allowance.

The Committee recommendation of $393,900,000 reflects the following increases to the budget estimate:

+$17,780,000 for air programs section 105 State grants;

+$30,200,000 for water quality program section 106 State grants;

+$6,246,000 for public water system program grants;

+$980,300 for underground injection control grants;

+$1,568,000 for hazardous waste management State grants; and

+$1,785,000 for pesticide enforcement State grants.

The additions to the above six media total $58,559,300, which maintains funding at the 1983 levels, except for the air grant program which was restored to the higher fiscal year 1982 program level. (The Committee urges States to apply a substantial portion of the air grant program to increased air monitoring);

+$1,000,000 to continue the Great Lakes program at essentially the current level;

+$1,900,000 for the National Rural Water Association to maintain the current level of funding;

+$1,500,000 for academic training with increased emphasis to be placed on fellowships for State environmental personnel;

+$2,625,000 for wastewater treatment operator training to continue this program at the current level and protect the Federal capital investment in plant and equipment; and

+$34,382,700 to be applied to high priority programs as determined by the Administrator.

The Committee has provided the additional $34,382,700 on the basis of the requirements identified by the Administrator in his letter of June 13, 1983.

The Committee is concerned that wastewater training programs conducted with Federal funds be evaluated in terms of their short- and long-term environmental impact. In particular, the Committee expects EPA to be prepared to answer the following questions about each of its training programs before the fiscal year 1985 hearings: (1) Was plant effluent quality improved due to this training? (2) Is the training an integral part of the overall training plan at the local, State, and Federal levels? and (3) Did the training meet the stated objectives?

The Committee directs that the funding for wastewater plant operator training be used to assist only those organizations and State agencies which actually conduct such training. Also, EPA is directed to work with these same agencies and organizations to: Fund compliance-oriented training programs; evaluate existing training programs; examine the role, responsibilities, and capabilities of State training agencies and organizations; and develop a national plan for phasing out Federal funding and achieving State financial self-sufficiency in operator training. This national plan is to be submitted to the Congress no later than March 1, 1985.

Section 8002(n) of the Solid Waste Disposal Act of 1982 required EPA to report to Congress by October 21, 1982, on whether management of fossil fuel combustion byproducts presents a sufficient substantial hazard to human health or the environment to merit regulation under subtitle C of RCRA. Although extensive information pertinent to this issue already has been placed before the Agency, no report has been forthcoming. Consequently, the Committee strongly urges the completion of EPA's report and its submission to Congress by October 21, 1983.

The Committee retained bill language, added on the House floor, that prohibits EPA from implementing the sanctions under the Clean Air Act. The Committee believes that retaining this provision will allow the administration and the Congress more time to review the need to revise the Clean Air Act.

BUILDINGS AND FACILITIES

1983 appropriation	$3,000,000
1984 budget estimate	2,600,000
House allowance	2,600,000
Committee recommendation	2,600,000

The Committee recommends an appropriation of $2,600,000 for buildings and facilities in fiscal year 1984. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The appropriation for buildings and facilities at EPA covers the necessary repairs and improvements to installations which are used by the Agency. In fiscal year 1984, the Agency intends to address the most pressing health and safety projects at EPA laboratories and other facilities and undertake repairs to prevent deterioration at these facilities.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $2,600,000 for this account. Repair and improvement projects exceeding $250,000 in estimated cost should not be undertaken without the specific approval of the House and Senate Committees on Appropriations.

PAYMENT TO THE HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

1983 appropriation	$40,000,000
1984 budget estimate	44,000,000
House allowance	44,000,000
Committee recommendation	44,000,000

The Committee recommends an appropriation of $44,000,000 for this account. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96–510, established the hazardous substance response trust fund (Superfund). The trust fund is financed principally by industry fees, recovered moneys, interest on investments, and appropriations. This account represents the Federal payment into the trust fund.

COMMITTEE RECOMMENDATION

The Committee has recommended $44,000,000 for Federal payment to the hazardous substance response trust fund. This is the same as the request and the House allowance. The Committee notes that there is a current unobligated balance of $337,300,000 in the fund and the fund is being credited with receipts of about $19,000,000 per month.

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

1983 appropriation	$210,000,000
1984 budget estimate	310,000,000
House allowance	335,000,000
Committee recommendation	410,000,000

The Committee recommends an appropriation of $410,000,000 for the hazardous substance response trust fund (Superfund). This amount is $100,000,000 more than the budget estimate and $75,000,000 more than the House allowance.

PROGRAM DESCRIPTION

On December 11, 1980, Congress enacted the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. The act established the hazardous substance response trust fund to address the problems of uncontrolled hazardous waste sites and spills. Specifically, the legislation mandates that EPA: (1) provide emergency response to hazardous waste spills; (2) take emergency action at hazardous waste sites that pose an imminent hazard to public health or environmentally sensitive ecosystems; (3) engage in long-term planning, remedial design, and construction to clean up hazardous waste sites where no financially responsible party can be found; (4) take enforcement actions to require responsible private parties to clean up hazardous waste sites; and (5) take enforcement actions to recover costs where the fund has been used for clean up.

The 1984 budget request is $310,000,000, a substantial increase above the 1983 level of $210,000,000. The request provides funding for 707 total workyears, about one-half of which would be devoted to hazardous substance response actions—including 50 emergency removals, 55 remedial investigation feasibility studies, 40 designs, and the initiation of remedial cleanup actions at 22 additional sites. A total of $6,381,000 is targeted for Superfund research and development, $15,855,000 for management and support activities, and $22,106,000 for enforcement work to identify responsible parties and conduct negotiations and/or litigation to recover costs.

COMMITTEE RECOMMENDATION

The Committee recommends $410,000,000 for this account. This is $100,000,000 more than the budget request and $75,000,000 more than the House allowance.

The bill provides $100,000,000 above the budget request, for a total of $410,000,000, to expand Superfund program activities. Ten positions and $500,000 are added to the Inspector General's Office for increased Superfund audits and investigations. In addition, 100 positions and $25,000,000 are provided to support EPA's recent policy change of conducting feasibility studies prior to initiation of settlement negotiations or litigation. The Committee expects EPA to conduct these studies without requiring local matching funds. By completing field investigations beforehand, EPA will be able to establish the dimensions of both the problem and the solution. This should greatly enhance the prospects of fair and speedy settlement. The Committee has also included an additional 10 positions and $1,500,000 for research. In particular, the Committee directs that these resources be used to evaluate technologies needed to manage uncontrolled waste sites. The increase will restore this activity to the fiscal year 1983 level.

The Committee has also included an additional $73,000,000 on the basis of the requirements identified by the Administrator in his letter of June 13, 1983. The Committee expects that a substantial portion of these funds will be devoted to increasing the number of positions in the superfund program.

The bill also includes a provision limiting administrative expenses for traditional salary and expense items to $66,514,000. The Committee has included a new proviso, under section 401 of the bill, on Superfund travel. The proviso gives EPA the flexibility to manage their travel funds within the total expense limitation rather than be bound by the estimates contained in the budget justifications—as has previously been the case. This should help EPA respond to emergency situations and priority site assessments.

The Committee has also included a legislative provision, as it did last year, earmarking $6,415,000 for the Department of Health and Human Services in conjunction with the Superfund. Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act (Public Law 96–510) authorizes the use of funds from the trust fund for medical and research activities to be undertaken by the Department of Health and Human Services. In Public Law 97–272, the Congress earmarked $10,000,000 from the hazardous substance response trust fund for the Department to carry out its Superfund activities during fiscal year 1983. The Committee believes that with this funding, the Department will be able to devote more resources to training of State personnel; purchase needed lab equipment; develop an ADP system for the toxicological registry; and develop hazardous waste handling manuals, than would have been the case under EPA's request.

Recent testimony presented before the Committee raises serious concern about the ability of certain States to provide the matching money for cleanup. That portion can vary from 10 to 50 percent of the cleanup costs, depending on the site. Failure to provide the matching moneys can preclude action at a site. Recently EPA identified 50 sites at which States could not come up with the matching funds. The Committee suggests that EPA consider dropping the matching requirement for the initial survey and analysis phases of the site work and only require the matching funds after the problem severity and scope is determined.

CONSTRUCTION GRANTS

1983 appropriation	$2,430,000,000
1984 budget estimate	2,400,000,000
House allowance	2,400,000,000
Committee recommendation	2,430,000,000

The Committee recommends an appropriation of $2,430,000,000 for the construction grants program. This amount is $30,000,000 more than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The long-range goal of the construction grants program is to eliminate the municipal discharge of untreated or inadequately treated pollutants and thereby help restore or maintain the quality of the Nation's waters and protect the health and well-being of the people. This program provides grants to municipal and intermunicipal agencies to assist in financing the construction of cost-effective and environmentally sound municipal wastewater treatment facilities. In addition, the program provides funds to assist delegated States in carrying out their responsibilities to

manage the construction grants program and to assist them in carrying out water quality management planning programs.

As a result of the municipal wastewater treatment construction grant amendments of 1981 a State may reserve 4 percent of its authorization or $400,000 to manage its delegated activities, and 1 percent of its allotment or $100,000 for water quality management planning. The act also requires that each State set aside between 4 and 7½ percent of its allotment to provide incentives to communities to use innovative and alternative technologies in constructing their wastewater treatment facilities; it also permits States having substantial rural populations to set aside 4 percent of their funds for projects in small communities. All grants for assisting in the development and construction of wastewater treatment facilities are to be awarded on the basis of a State's priority system, which is designed to insure improved water quality.

Prior to the 1981 amendments, projects were done in three stages with separate grants awarded to a community for the planning (step 1), design (step 2), and construction (step 3) phases of each project. In order to make the process more efficient, the 1981 amendments eliminate the three-step procedure and provide that communities that have completed planning and design and are awarded a grant for construction will receive an allowance to cover a portion of the planning and design costs. Provision is also made for advances to enable small communities, otherwise unable to finance such activities, to plan and design projects. Another provision designed to make the program more efficient and cost-effective is the elimination of funding to construct reserve capacity. These provisions are expected to significantly decrease the Federal investment needed in the program.

The goal of the State management assistance grant program under section 205(g) is to allow the States, rather than EPA, to assume responsibility for day-to-day management of construction grants and other priority programs, and under section 205(j) to provide essential support to water quality management planning. The primary goal for use of section 205(g) funds has been early achievement of maximum delegation of construction grants project management to States. The timing and extent of delegation and financial support to each State depends on the State's ability to operate a construction grants program that meets statutory objectives and requirements and EPA policy. A grant is provided to a State when it can show that it is able to exercise effective management for a substantial portion of program activities.

COMMITTEE RECOMMENDATION

The Committee recommends $2,430,000,000 for construction grants. This is $30,000,000 more than the budget request and the House allowance. The Committee's recommended level for this program is the same as appropriated in fiscal year 1983. The additional $30,000,000 is to be used as authorized in section 201(n)(2) of the Federal Water Pollution Control Act, as amended, for combined sewer overflow (CSO). Testimony before the Committee indicates that these funds, and more, could be effectively used during fiscal year 1984 to address serious problems caused by combined sewer overflows into marine bays and estuaries.

In response to the Committee's request, EPA submitted a report on CSO's. The report concluded that 17 States have a total of 115 combined sewer facilities affecting the tidal waters of bays and estuaries that are potentially marine. The total 115 CSO facilities serve 16,600,000 people, 526,000 acres of urban land, and 1,869 overflow points. The CSO control needs for these facilities total about $11,600,000,000. Obviously, the amounts authorized for this program ($200,000,000 annually) and the amounts likely to be appropriated cannot hope to address the totality of these needs. Consequently, the Committee directs EPA to restrict the use of fiscal years 1983 and 1984 funds to provide a level of pollution control no greater than the Fish and Wildlife level. It is estimated that this could result in a reduction of approximately 30 percent in Federal appropriation requirements. Furthermore, the Committee directs that EPA implement a funding strategy based on funding complete projects or project segments within the constraints of the funds available to the Agency. The Committee does not believe that the CSO program can be efficiently managed if the available funds are used to partially fund a large number of projects. Such an approach will lead to a stretchout of each of the projects, additional oversight requirements, and corresponding cost increases.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

1983 appropriation	$926,000
1984 budget estimate	913,000
House allowance	700,000
Committee recommendation	913,000

The Committee recommends an appropriation of $913,000 for the salaries and expenses of the Council on Environmental Quality. This is the same as the budget estimate and $213,000 more than the House allowance.

PROGRAM DESCRIPTION

The Council on Environmental Quality was established by the National Environmental Policy Act (NEPA) and the Environmental Quality Improvement Act of 1970 and is located within the Executive Office of the President. The Council's principal responsibility is to provide the

President and the Congress with timely and authoritative advice on key policy issues. In addition to providing policy advice, the Council is responsible for maintaining policy oversight of the Federal Government's implementation of NEPA. The Council is also charged with cochairing with EPA, the Interagency Toxic Substances Data Committee; serving as Executive Secretary of the Interagency Task Force on Acid Precipitation; overseeing implementation of environmental messages by the President; and assisting and advising the President in preparing the annual environmental quality report to the Congress.

COMMITTEE RECOMMENDATION

The Committee recommends $913,000 for the Council on Environmental Quality. This is the same as the budget request and $213,000 more than the House allowance. The Committee shares the concerns expressed in the House report and directs the Council to report back to the Committee in terms of its plans for fiscal year 1984 and how these plans relate to the statutory responsibilities of the Council.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

1983 appropriation	$1,839,000
1984 budget estimate	2,088,000
House allowance	1,950,000
Committee recommendation	1,950,000

The Committee recommends an appropriation of $1,950,000 for the salaries and expenses of the Office of Science and Technology Policy. This is $138,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The Office of Science and Technology Policy (OSTP) was created by the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94–282) and provides advice to the President concerning policies in science and technology and on the utilization of science and technology in addressing important national problems. OSTP also supports other organizations within the Executive Office of the President with regard to issues involving science and technology considerations; reviews and analyzes the research and development budgets and programs of the Federal Government, in concert with the Office of Management and Budget; coordinates research and development programs of the Federal Government; and fulfills other obligations, duties, functions, and activities mandated by the National Science and Technology Policy, Organization, and Priorities Act of 1976.

COMMITTEE RECOMMENDATION

The Committee recommends $1,950,000 for the Office. This is $138,000 less than the budget request and the same as the House allowance. The amount provided is $111,000 above the fiscal year 1983 level. The Office can apply the $138,000 reduction at its discretion;

however, the Committee expects the Office to maintain the same balance between reimbursable and nonreimbursable detailees as outlined in the fiscal year 1983 HUD-Independent Agencies Conference Report (H. Rept. No. 97–891).

FEDERAL EMERGENCY MANAGEMENT AGENCY

1983 appropriation	[1] $651,543,000
1984 budget estimate	522,407,000
House allowance	430,758,000
Committee recommendation	467,087,000

[1] Includes $1,645,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $467,087,000 for the Federal Emergency Management Agency (FEMA) in fiscal year 1984. This amount is $55,320,000 less than the budget estimate and $36,329,000 more than the House allowance.

GENERAL DESCRIPTION

FEMA is responsible for coordinating Federal efforts to anticipate, prepare for and respond to a spectrum of major civil emergencies. The Agency also works to assure the effectiveness of the national civil defense program as well as the availability of civil defense systems and resources in coping with all manmade and natural disasters; consolidates the programs aimed at preventing and mitigating the effects of potential disasters with the programs designed to deal with the disasters once they occur; coordinates and plans for the emergency deployment of resources that are used on a routine basis by Federal agencies; and helps to coordinate preparedness programs with State and local governments, private industry, and voluntary organizations.

FEMA's budget submission describes several principal programs, including:

Civil defense.—This activity features an integrated emergency management system approach designed to develop generic plans and functional emergency capabilities to mitigate, prepare for, respond to, and recover from emergencies caused by natural, technological, and attack-related hazards. It has financial and technical assistance programs which support State and local organization requirements, and operating costs. Federal civil defense objectives and support are integrated with State and local emergency operational requirements, thereby enhancing overall emergency preparedness for all hazards. Included in this activity are preparedness programs that address the planning, warning, communications, direction and control, shelter, movement of people, provision of food and medical resources. This activity also provides for development of training materials and training programs, and for research and development activities that provide the technical basis for national planning for such activities as population and industrial protection.

Federal preparedness.—The goals of the Federal preparedness program are to achieve Government readiness to insure that the Nation will have the capability in place to respond, manage, and recover from peacetime or wartime national security emergencies.

Training and education.—This program provides for the professional development of our Nation's emergency professionals to improve the capability at the community level, to prepare for emergency response by improving the technical competence and public policy perspective of key emergency managers and staffs. This activity supports the National Emergency Training Center located in Emmitsburg, Md.

Fire prevention and control.—This program establishes a Federal fire focus to carry out programs that educate the public on fire safety, improve firefighters' health and safety, gather and disseminate fire data and analyses, initiate projects to improve fire prevention and arson control, and offer training opportunities to advance the professional development of fire service and allied professionals. The goal is to reduce national fire loss and to reduce the level of fire risk.

Comprehensive emergency preparedness planning.—This program provides for the enhancement of State and local governments' capability to prepare for, respond to and mitigate the impact of disasters and emergencies. Program activities include hazard analyses, needs assessments, technical guidance and financial support designed to assist State and local governments in developing a comprehensive approach to preparedness planning.

Radiological emergency preparedness.—This program is focused on improvement of State and local capabilities to cope with radiological accidents at commercial nuclear powerplants, other fixed nuclear facilities and nuclear materials license holders. The program provides assistance to State and local governments through the issuance of guidance, review and approval of plans, and evaluation of exercises.

Flood plain management.—This program combines mapping, regulatory, and technical assistance to assist State and local governments in responding to known flood hazards and mitigating their effects through a comprehensive approach to the management of flood plains.

Emergency Information and Coordination Center.—The mission of the Center is to provide FEMA and other affected jurisdictions with information, data and facilities for making accurate and timely decisions, including the communications required for rapid and reliable transmission of these decisions under all conditions.

Federal Insurance Administration.—FEMA administers three national insurance programs. They are flood insurance, crime insurance, and riot reinsurance.

Flood insurance.—The national flood insurance program makes insurance available to participating communities, in return for which communities are required to adopt flood-plain-management measures to protect lives and reduce property loss.

Crime insurance.—This program enables residents and businesses to purchase affordable insurance against burglary and robbery losses on properties that meet protective device requirements where such coverage is not available in the private market place.

Riot reinsurance.—Federal riot reinsurance is available to assist insurance companies in making essential property insurance available in States with statewide fair access to insurance requirements (FAIR) plans meeting Federal criteria.

Disaster response and recovery.—The President's disaster relief program supplements the efforts and available resources of State and local governments and voluntary relief organizations in responding to a major disaster or emergency, as defined in the Disaster Relief Act of 1974 (Public Law 93–288).

FUNDS APPROPRIATED TO THE PRESIDENT

DISASTER RELIEF

1983 appropriation	$130,000,000
1984 budget estimate	
House allowance	
Committee recommendation	

The Committee recommends no appropriation for disaster relief assistance in fiscal year 1984. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Federal disaster assistance is a nationwide program operated pursuant to the Disaster Relief Act of 1974 (Public Law 93–288). The President is authorized to provide Federal assistance to supplement the efforts and resources of State and local governments and individuals and families in response to major disasters and emergencies. Funds may be made available directly to a State or local government, or to other Federal agencies as reimbursement of expenditures in disaster relief work performed under this authority. In addition, a variety of other Federal agency assistance is coordinated under this program.

The administration is not requesting a disaster relief appropriation in fiscal year 1984. It is anticipated that unobligated balances will be sufficient to provide for disaster activities.

COMMITTEE RECOMMENDATION

The Committee recommends no funding for disaster relief assistance in fiscal year 1984. As of May 14, 1983, there was an unobligated balance of approximately $555,000,000 in the disaster relief fund. While the Committee is not recommending additional disaster relief funds, it will monitor the unobligated balance to insure that sufficient resources remain available throughout fiscal year 1984.

Finally, the Committee continues to support FEMA's continuation of the 75-percent Federal and 25-percent State and local cost sharing for the repair and replacement of public facilities.

SALARIES AND EXPENSES

1983 appropriation	[1] $112,945,000
1984 budget estimate	127,591,000
House allowance	119,999,000
Committee recommendation	122,263,000

[1] Includes $1,645,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $122,263,000 for salaries and expenses in fiscal year 1984. This amount is $5,328,000 less than the budget estimate and $2,264,000 more than the House allowance.

PROGRAM DESCRIPTION

The salaries and expenses appropriation comprises two activities:

1. *Program support.*—This activity provides for staff and supporting resources to administer the Agency's various programs at the headquarters, field, and regional levels.

2. *Management and administration.*—This activity provides staff and supporting resources for the general management and administration of the Agency in legal affairs, congressional relations, public affairs, personnel, financial management, and other central support functions, such as rent, utilities, ADP support services, and supplies.

COMMITTEE RECOMMENDATION

The Committee recommends $122,263,000 for salaries and expenses. This is $5,328,000 less than the budget request and $2,264,000 more than the House allowance. The Committee recommendation reflects the following changes to the budget request:

—$3,500,000 and 84 positions in civil defense activities; and

—$1,828,000 in mobilization preparedness, funding the program at the fiscal year 1983 level.

The Committee commends FEMA on its integrated management approach to civil defense. The Committee does, however, agree with the House on the distinction between the attack and civil disaster portions of the program. The Committee urges the Agency to develop a better definition of those activities that are dual use in nature and those that are essentially attack or civil disaster related.

The Committee is pleased to note that FEMA has initiated work with the National Institute of Building Sciences (NIBS) on performance criteria for fire safe building design and determining the adequacy of current civil defense shelter criteria, as called for in its Report No. 97–163. The Committee is particularly pleased that the administration and NIBS have redirected this program so as to deal with multiple natural and manmade hazard criteria. The Committee believes that this work should be accelerated.

STATE AND LOCAL ASSISTANCE

1983 appropriation	$154,591,000
1984 budget estimate	209,716,000
House allowance	169,176,000
Committee recommendation	187,566,000

The Committee recommends an appropriation of $187,566,000 for the State and local assistance activities of FEMA in fiscal year 1984. This amount is $22,150,000 less than the budget estimate and $18,390,000 more than the House allowance.

PROGRAM DESCRIPTION

The State and local assistance appropriation provides support for State and local emergency management personnel and their operating expenses. This appropriation account also provides for protection of the population through multihazard planning including that related to nuclear attack and the identification and preparation of shelters. The ac-

count includes programs for the development of plans and preparations for protection of industrial capability and for the dissemination of guidance and technical and financial assistance for emergency communications, alert and warning systems, and command and control systems. Assistance to State and local governments in developing comprehensive plans and preparedness capabilities for earthquake, hurricane, dam safety and hazardous materials emergencies are also included. Offsite emergency preparedness and planning for fixed nuclear facilities including commercial nuclear powerplants, material licensees, and other nuclear facilities are funded in this account as are mapping, regulatory, and technical assistance efforts to mitigate the effects of known flood hazards through flood plain management.

COMMITTEE RECOMMENDATION

The Committee recommends $187,566,000 for the State and local assistance program. This is $22,150,000 less than the budget request and $18,390,000 more than the House allowance. The Committee directs that the reduction of $28,400,000 be taken in the areas of population protection and radiological defense. This reduction would result in these programs being funded at the fiscal year 1983 levels of $17,700,000 and $10,300,000 for population protection and radiological defense, respectively. Within this account, the Committee has approved the requested increase of $5,340,000 for the State and local emergency management program and an increase of $16,800,000 in the State and local direction, control, and warning program over the fiscal year 1983 level.

The Committee notes the need to carefully review the effect of these reductions and, therefore, provides a general restoration of $6,250,000 to be applied to high-priority programs as determined by FEMA.

The Agency requested that the funding for the purchase of property program remain available until expended. According to FEMA, the current necessity to obligate funds within the fiscal year does not allow sufficient time for contract negotiations on some projects. The Committee concurs with the House in recommending a 2-year availability of purchase of property funds. This will permit adequate time for property contract negotiations.

EMERGENCY PLANNING AND ASSISTANCE

1983 appropriation	$154,007,000
1984 budget estimate	185,100,000
House allowance	141,583,000
Committee recommendation	157,258,000

The Committee recommends an appropriation of $157,258,000 for the emergency planning and assistance activities. This amount is $27,842,000 less than the budget estimate and $15,675,000 more than the House allowance.

PROGRAM DESCRIPTION

The emergency planning and assistance appropriation provides resources for program activities in civil defense planning communications and dedicated warning systems; and development of training

materials and training programs to cope with the consequences of accidental, natural, and man-caused occurrences, and for the continuation of a Federal focus addressing national fire prevention and control needs. Studies and research and development activities are conducted to provide the technical basis for such activities as shelter preparation and evacuation planning and industrial equipment protection.

Activities are conducted toward the achievement of Government readiness to insure that the Nation will be able to respond to, manage, and recover from peacetime or wartime national security emergencies to cope with the consequences of accidental, natural, and man-caused occurrences, and for the continuation of a Federal focus addressing national fire prevention and control needs. A training and education program prepares Federal, State, and local officials, and their supporting staffs to meet the responsibilities and challenges of hazard mitigation, emergency preparedness, disaster response, and fire prevention and control.

COMMITTEE RECOMMENDATION

The Committee recommends $157,258,000 for emergency planning and assistance. This is $27,842,000 less than the budget request and $15,675,000 more than the House allowance. The Committee recommends the following changes to the budget request:

−$8,850,000 for civil defense research;

−$24,017,000 for telecommunications and warning;

+$300,000 to evaluate and revise the course material for fire training programs including those being offered in the open learning fire service program; and

−$275,000 for the security planning program.

The Committee recommendations would result in increases in civil defense of:

$5,575,000 for civil defense research;

$6,075,000 for civil defense training and education; and

$5,000,000 for telecommunications.

The Committee notes the need to carefully review the effects of these reductions and, therefore, provides a general restoration of $5,000,000 to be applied to high-priority programs (other than the security planning program) as determined by FEMA.

NATIONAL FLOOD INSURANCE FUND

1983 appropriation	$39,159,000
1984 budget estimate	37,521,000
House allowance	37,521,000
Committee recommendation	37,521,000

The Committee recommends $37,521,000 to repay funds borrowed from the Treasury by FEMA to carry out the national flood insurance program in fiscal year 1984. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes.

Under the emergency program, structures in identified flood-prone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, detailed studies are performed to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up to $245,000 for residential and $550,000 for other types.

Financing.—The Administrator is authorized to borrow up to $1,000,000,000 to carry out the program. Borrowings are estimated to total $110,724,000 by the end of 1984. An appropriation of $37,521,000 was requested in 1984 to retire agency debt. The program is also financed through premium income, and on January 1, 1981, an expense constant of $20 per policyholder was added to shift the administrative expenses from the taxpayer to the beneficiary of the program, the policyholder.

Operating results.—Cumulative expenses are expected to exceed income from Federal and non-Federal sources by approximately $362,000,000 by the end of 1984. This cumulative deficit is financed through appropriations of $996,005,000 and by charges against borrowing authority of $111,000,000.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $37,521,000 for payments to the Treasury.

The Omnibus Budget Reconciliation Act of 1981 provides that the National Flood Insurance Fund shall be available only to the extent approved in appropriations acts. There is an exception for costs incurred in the adjustment and payment of any claims for losses. Agents' commissions, taxes, interest on Treasury borrowings, and operating expenses are to be approved in appropriations acts. The Committee concurs with the House recommendation to continue individual limitations on these

items except for administrative expenses which are to be funded from the salaries and expenses appropriation. The limitations recommended include $36,141,000 for operating expenses, $74,095,000 for agents' commissions and taxes, and $6,907,000 for interest on Treasury borrowings. The Agency should inform the Committees on Appropriations as soon as possible if it appears the limitations need to be modified.

General Services Administration

CONSUMER INFORMATION CENTER

1983 appropriation	[1] $1,382,000
1984 budget estimate	1,449,000
House allowance	1,449,000
Committee recommendation	1,349,000

[1] Includes $31,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $1,349,000 for the Consumer Information Center. This is $100,000 less than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Consumer Information Center was established within the General Services Administration by Executive order on October 26, 1970 and assigned two missions: (1) to assist Federal departments and agencies develop and release practical, relevant consumer information as a byproduct of the Government's research and program activities, and (2) to increase public awareness of and access to this information.

The primary way that the Center promotes greater public awareness of existing Federal publications is through wide dissemination to the general public of the consumer information catalog. The catalog lists both sales and free publications available from the Government Printing Office (GPO) distribution facility in Pueblo, Colorado. In fiscal year 1982, the Center distributed a total of 14.6 million publications. Distribution costs of the free publications are financed by the Federal agencies reimbursements to this appropriation to cover GPO expenses relating to the free publications. Beginning in March 1983, the Center began charging a user fee of $1 for two or more free publications ordered from the catalog.

COMMITTEE RECOMMENDATION

The Committee recommends $1,349,000 in new budget authority for the Center. This is $100,000 less than the budget request and the House allowance. The Committee's recommendation is based on the establishment of a revolving fund in the proposed pay supplemental bill (H.R. 3069). With the establishment of this fund, the Center would be able to offset $100,000 of its operating requirements during fiscal year 1984 through the use of charges collected from the public.

The limitations on availability of revenue to the fund, specified in separate appropriation language, are recommended at an aggregate level of $7,949,000. This level includes: (*a*) An appropriation of $1,349,000; (*b*) user fees from the public of $400,000; and (*c*) reimbursements from

other Federal agencies for costs of distributing their publications of $6,200,000, all to be available without regard to fiscal year limitations. Any revenues accruing to this fund during fiscal year 1984 in excess of $7,949,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations acts. Also, any unobligated balances of the aggregate limitation of $7,949,000 shall likewise remain in the fund but shall not be available for expenditure except as authorized in appropriations acts.

Department of Health and Human Services

OFFICE OF CONSUMER AFFAIRS

1983 appropriation	$1,947,000
1984 budget estimate	2,011,000
House allowance	2,011,000
Committee recommendation	2,011,000

The Committee recommends an appropriation of $2,011,000 for the salaries and expenses of the Office of Consumer Affairs. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

In accordance with Executive Order 11583 of February 24, 1971, the staff of the U.S. Office of Consumer Affairs assures that consumer needs and viewpoints are presented in the Federal Government, fosters consideration of consumer viewpoints by other Government agencies, voluntary groups and business, and seeks to inform and educate individual citizens to deal more effectively in the marketplace. The Director is also the Special Adviser to the President for Consumer Affairs.

Under Executive Order 12160 of September 26, 1979, the staff of the Office also provides administrative support to the Consumer Affairs Council. The functions of the Council are to provide leadership and coordination to insure that agency consumer programs are implemented effectively, to strive to maximize effort, promote efficiency and interagency cooperation, and to eliminate duplication and inconsistency among agency consumer programs.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $2,011,000 for activities of the Office of Consumer Affairs in fiscal year 1984.

National Aeronautics and Space Administration

RESEARCH AND DEVELOPMENT

(INCLUDING SPACE FLIGHT, CONTROL, AND DATA COMMUNICATIONS)

1983 appropriation	$5,542,800,000
1984 budget estimate	5,708,500,000
House allowance	5,803,500,000
Committee recommendation	5,793,500,000

The Committee recommends an appropriation of $5,793,500,000 for research and development activities. This amount is $85,000,000 more than the budget estimate and $10,000,000 less than the House allowance.

PROGRAM DESCRIPTION

The objectives of the National Aeronautics and Space Administration (NASA) program of research and development are to extend our knowledge of the Earth, its space environment, and the universe; to expand the practical applications of space technology; to develop, operate, and improve manned and unmanned space vehicles; to provide technology for improving the performance of aeronautical vehicles while minimizing their environmental effects and energy consumption; and to assure continued development of the aeronautics and space technology necessary to accomplish national goals. The research and development program at NASA consists of the following activities:

Space transportation systems (STS).—This activity provides all of the transportation and associated capabilities required to conduct space operations. The major focus of NASA's space transportation program is the Space Shuttle—the first reusable space vehicle and the principal element of a versatile space transportation system designed to provide domestic and international users with round trip access to space for the 1980's and beyond. The operational era of the Space Shuttle was initiated in fiscal year 1983. Operational activities in fiscal year 1984 will support eight to nine flights and procurement, assembly and checkout of the solid rocket boosters, external tanks, and other hardware for flights in subsequent years. Production activities in fiscal year 1984 will feature the final preparations for the delivery of the fourth flight orbiter in late 1984 and procurement of orbiter structural spares to insure the capability to repair an orbiter in the event of damage. The development of a lighter-weight solid rocket booster will be pursued to provide additional performance for west coast launches of the Space Shuttle. The appropriation will also provide expendable launch vehicles and services to augment the Space Shuttle.

Space science and applications.—This program utilizes space systems, supported by airborne and ground-based observations, to conduct scientific investigations of the Earth and its space environment, the Sun, the planets, and interplanetary and interstellar space, and the other stars of our galaxy and universe. Results from these investigations contribute to our understanding of the universe, including the key questions of life, matter, and energy. In addition, this program conducts the research and selected technology developments to encourage the practical application of space technologies to needs on Earth. In fiscal year 1984, work will continue on the development of the space telescope project, the Gamma Ray Observatory, the Galileo project and the international solar polar mission experiments and design and development efforts will be initiated on the Venus radar mapper (VRM) mission to be launched in 1988. Other space science activities will include preparation for the joint NASA/DOD solar maximum mission repair, Spacelab payloads,

several explorer projects, and various research efforts. In addition, the space applications research and development will continue to cover the areas of solid Earth observations, environmental observations, materials processing in space, communications, and information systems, which are designed to accelerate and expand the availability and use of technology developed in all NASA programs into the private and public sectors of the economy. Among the major space applications activities planned for fiscal year 1984 are: operation of the Landsat thematic mapper (TM) data processing ground systems and completion of engineering characterization of the TM data; continued development of the Earth radiation budget experiment satellite system in cooperation with other Federal agencies; development of the upper atmospheric research satellite experiments and mission definition; initiation of design and development efforts on the advanced communications technology satellite (ACTS) payload to be launched in 1988; Shuttle/Spacelab payload development; and continued work in the areas of materials processing and communications research and development.

Technology utilization.—This program is designed to facilitate the transfer of NASA technology to the nonaerospace industry, as well as State and local governments. During fiscal year 1984, NASA will continue its efforts to help foster widespread dissemination of new technology developed by the Agency's programs.

Aeronautics and space technology.—The objectives of the aeronautical research and technology program are the advancement of aeronautical technology base; the maintenance of the long-term competitive position of the United States in the international aviation marketplace; and the support of the military in maintaining the superiority of the Nation's military aircraft. Specific technology efforts in fiscal year 1984 will continue to be directed toward major improvements in high-performance aircraft and rotorcraft. New initiatives will be undertaken in developing a preeminent numerical aerodynamic simulation capability, an advanced composite structures technology, and technology for the next generation of rotorcraft. The objective of the space research and technology program is to provide the technology base necessary to support current and future space activities, to formulate technology options for the future, and to advance technology required to further reduce the costs of space activities. These activities emphasize the longer-range aspects of generic research and technology development in transportation, spacecraft, and space station systems which are crucial to future U.S. leadership in space.

Tracking and data acquisition.—This program provides for continuation of tracking and data acquisition for Earth orbital spacecraft, planetary missions, sounding rockets, and research aircraft. This support is currently provided by a worldwide network of NASA ground stations interconnected by a communications system which provides the capability for instantaneous transmission of data and critical commands between spacecraft and the flight control centers. Facilities are also provided to process into meaningful form the scientific, applications, and engineering data which are collected from flight projects. In 1984, the

tracking and data relay satellite system (TDRSS) will become the primary system of support for essentially all Earth orbital spacecraft missions, providing a significant improvement in Earth orbital tracking and data acquisition capabilities. NASA will acquire this capability through an arrangement under which the contractor will establish the system and provide dedicated Government TDRSS services beginning in fiscal year 1983. In the interim, the Agency's spacecraft tracking and data network will support Earth orbital scientific and applications spacecraft and all Shuttle orbital flight tests as well as international missions and missions of other U.S. agencies. The deep space network tracking system will continue to support planetary missions in 1984 and subsequent years.

COMMITTEE RECOMMENDATION

The Committee recommends $5,793,500,000 for this account. This is $85,000,000 more than the budget request and $10,000,000 less than the House allowance. The recommendation includes the following increases and decreases from the budget request:

+$35,000,000 for engine spares;

+$45,000,000 for the Space Telescope. Bill language has also been included capping the 1984 total for telescope development at $165,600,000, which represents the budget request plus the $45,000,000 enhancement. It is expected that approximately an additional $40,000,000 will be required through a reprograming request in 1984. (This action will increase the total space telescope effort to about $205,000,000 in 1984);

+$20,000,000 for research and analysis in physics and astronomy and planetary programs to be distributed at the Agency's discretion;

−$3,000,000 from the $20,000,000 requested for the numerical aerodynamic simulator. The Committee directs NASA to purchase or lease only one mainframe computer for the system during fiscal year 1984 and expects a detailed program plan, including operational milestones, by March 1, 1984;

+$10,000,000 for advanced propulsion and composite materials (system technology program) of which not less than $5,000,000 shall be derived from the aeronautics research and technology activity;

−$10,000,000 from tracking to be derived from the tracking and data relay satellite system payment to the Federal Financing Bank;

−$5,000,000 from the suborbital research program—reducing it to about the fiscal year 1983 level;

−$5,000,000 from Shuttle production and capability development to account for the advanced purchase of a Shuttle training aircraft in fiscal year 1983 rather than in fiscal year 1984;

+$2,000,000 for environmental observations, specifically the origin of plasma in Earth's neighborhood and/or the upper atmosphere research satellite programs;

+$5,000,000 for materials processing in space;

+$1,000,000 for solid state observations program in order to accelerate the development of the multispectral linear array;

+$5,000,000 for technology utilization; and

−$10,000,000 as a general reduction to be taken by the Agency in areas other than those augmented above.

The Committee shares the concern expressed by the House about the development of a clear national policy on the role of commercial space ventures. However, the Committee believes that encouraging the commercial development of expendable launch vehicles is in the national interest and will not adversely affect either the economics of the Space Shuttle system nor detract from the unique capabilities of the Shuttle. The Committee recognizes that, at this stage, the Shuttle flight rate is not based on a demand model and, consequently, maintaining a high flight rate is contingent on a policy decision to encourage utilization of this national resource. The Committee encourages the use of this induced traffic model approach in determining the flight rate in the future. The availability of commercial expendable launch vehicles provides a potential backup for the Shuttle, in order to reduce scheduling risk. Such a backup capability could actually enhance the appeal of the Shuttle as our primary launch system. The Committee is concerned that the Agency's policies and procedures are not consistent with those expressed by the President on May 16, 1983. The Committee recognizes that certain officials at NASA have been reluctant to adopt this policy in an attempt to shield the Shuttle from potential competition. The Committee believes this attitude has contributed to the confusion in the private sector concerning the future of expendable launch vehicles, has cast serious doubt on the ability of the Shuttle to compete against these older technologies, and brings into question the actual need for additional orbiters. Furthermore, the Committee is dubious about the claims that higher Shuttle flight rates will lead to a self-supporting system. The Committee has always viewed the Shuttle's ability to increase our access to, and use of, space as a sufficient reason for its development. Of course, a higher flight rate and cost savings that reduce the per flight costs will be supported by the Committee.

Over the last several years, the Committee has explored the role of NASA and the National Science Foundation (NSF) in the area of ground-based astronomy. As a result, NASA and NSF have entered into an agreement concerning the infrared telescope facility at Mauna Kea, Hawaii. The Committee is pleased that a long-range funding plan has been developed for this facility, but is still concerned that the issue of the respective roles of NASA and NSF in astronomy has not been resolved. In particular, the Committee is concerned about the future of the Space Telescope. The Committee expects this facility to be available to the entire astronomy community through a broad-based peer review process. The Committee does not intend to sit idly by while the astronomy program is fractionalized. The Committee expects a joint NASA/NSF report on the process that will be used for the selection of principal investigators by March 1, 1984.

The Committee has divided the traditional research and development account into two accounts. This new structure highlights the operational nature of the Space Shuttle.

The Committee has also included bill language capping the 1984 amounts for the following programs at these levels:

Space transportation capability development—$427,400,000;

Space transportation operations—$1,570,600,000;

Space Shuttle production and capability development—$1,530,000,000;

Expendable launch vehicles—$50,000,000;

Space station—$14,000,000;

Tracking and data relay satellite system operations—$44,000,000;

Numerical aerodynamic simulator—$17,000,000; and

Space Telescope—$165,600,000.

In reference to the space station, the Committee suggests that NASA devote additional effort to exploring the potential benefits that can be derived through the design of a fully automated space platform. The Committee believes that an evolutionary approach to a manned space station is the most effective way of proceeding. In addition, the Committee expects that the development of an automated platform might lead to significant advancements in pattern recognition, robotics, and artificial intelligence.

Regarding that portion of the space network which consists of the tracking and data relay satellite system (TDRSS), the Committee is aware that the deployment of TDRS–A into its proper operational orbit has been delayed due to unforeseeable technical events thereby jeopardizing the planned start of service date of August 1, 1983. The Committee, during its deliberations of the fiscal year 1983 NASA appropriation, agreed that the fiscal year 1983 appropriation should be made available to NASA to initiate liquidation of its financial liability under the TDRSS financial arrangement as of the planned start of service date. The Committee views the delayed deployment of TDRS–A in its proper operational orbit due to unforeseeable technical events as not constituting sufficient reason for NASA to not begin liquidating its financial obligations under existing TDRSS financial arrangements.

CONSTRUCTION OF FACILITIES

1983 appropriation	$97,500,000
1984 budget estimate	150,500,000
House allowance	135,500,000
Committee recommendation	135,500,000

The Committee recommends an appropriation of $135,500,000 for facilities activities in fiscal year 1984. This amount is 15,000,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The construction of facilities account provides for contractual services for repair, rehabilitation, and modification of existing facilities; the construction of new facilities; and acquisition of related facility equipment; the design of facilities projects; and, advance planning related to future facilities needs.

COMMITTEE RECOMMENDATION

The Committee recommends $135,500,000 for the construction of facilities in 1984. This is $15,000,000 below the budget request and the same as the House allowance. The Committee expects that $8,400,000 of the reduction will be applied to the reimbursement to GSA for NASA-utilized property at Ellington Air Force Base. The additional $6,600,000 should be applied at the Agency's discretion to those projects that are unrelated to maintaining or increasing the Shuttle flight rates. The Committee is concerned that several procurements, currently being considered at NASA, would commit the Government to long-term obligations without the benefit of approval through the budget process. Consequently, the Committee has included bill language which would prohibit NASA from entering into long-term contractual arrangements with contractors for the lease or purchase of a contractor-funded facility that would substantially amortize such a facility over a period of time.

RESEARCH AND PROGRAM MANAGEMENT

1983 appropriation	[1] $1,197,400,000
1984 budget estimate	1,247,500,000
House allowance	1,237,500,000
Committee recommendation	1,242,500,000

[1] Includes $28,500,000 in proposed pay supplemental (H.R. 3069).

The Committee recommends an appropriation of $1,242,500,000 in fiscal year 1984 for research and program management. This amount is $5,000,000 less than the budget estimate and $5,000,000 more than the House allowance.

PROGRAM DESCRIPTION

The research and program management appropriation supports the performance and management of research, technology, and test activities at NASA installations, and the planning, management, and support of contractor research and development tasks necessary to meet the Nation's objectives in aeronautical and space research. Specifically, this appropriation provides the technical and management capability of the civil service staff needed to conduct the full range of programs for which NASA is responsible; maintains facilities and laboratories in a state of operational capability and manages their use in support of research and development programs; and provides technical and administrative support for the research and development programs at NASA.

COMMITTEE RECOMMENDATION

The Committee recommends $1,242,500,000 for research and program management. This is $5,000,000 less than the budget request and $5,000,000 more than the House allowance. The Committee intends that this reduction should be applied to object classifications other than required funds for personnel compensation and benefits, such as contractual and consultant services, travel, and public affairs.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

	Borrowing authority	*Administrative expenses*
1983 limitation	($600,000,000)	($1,368,000)
1984 budget estimate	(600,000,000)	(850,000)
House allowance	(600,000,000)	(850,000)
Committee recommendation	(600,000,000)	(850,000)

The Committee recommends borrowing authority of $600,000,000 and a limitation on administrative expenses of $850,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The National Credit Union Administration Central Liquidity Facility (CLF) was created by the National Credit Union Central Liquidity Facility Act (Public Law 95–630) as a mixed-ownership Government corporation within the National Credit Union Administration. It is managed by the National Credit Union Administration Board and is owned by its member credit unions.

The purpose of the facility is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encouraging savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for facility services, credit unions invest in the capital stock of the facility, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the facility are the stock subscriptions from credit unions and borrowings.

The facility may borrow funds from any source, with the amount of borrowing limited by Public Law 95–630 to 12 times the amount of subscribed capital stock and surplus.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $600,000,000 on the amount that may be borrowed from the public or any other source, except the Secretary of the Treasury, as proposed in the budget estimate. The Committee also recommends the budget estimate of $850,000 for the limitation on administrative expenses. This is the same as the budget request and the House allowance.

NATIONAL SCIENCE FOUNDATION

1983 appropriation	[1] $1,093,500,000
1984 budget estimate	1,292,300,000
House allowance	1,315,300,000
Committee recommendation	1,292,600,000

[1] Includes $1,300,000 in proposed supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $1,292,600,000 for the activities of the National Science Foundation. This amount is $300,000 more than the budget estimate and $22,700,000 less than the House allowance.

GENERAL DESCRIPTION

The National Science Foundation was established as an independent agency by the National Science Foundation Act of 1950 (Public Law 81–507) and is authorized to support basic and applied research, science and technology policy research, and related scientific and science education programs to promote the progress of science in the United States.

The Foundation supports fundamental and applied research in all major scientific disciplines, through grants, contracts, and other forms of assistance, such as cooperative agreements, awarded to more than 2,000 colleges and universities and to nonprofit organizations and other research organizations in all parts of the United States. The Foundation also encourages cooperative efforts by universities, industries, and Government.

NSF also supports major national and international science programs including the U.S. Antarctic program and ocean drilling programs, as well as research and related activities in certain foreign countries funded with excess foreign currency owned by the United States.

The Foundation also supports, through contracts, five national astronomy centers and one national atmospheric research center. The centers provide telescopes and other facilities needed for advanced research. The six centers are: The National Radio Astronomy Observatory at Green Bank, West Virginia, which also operates the very large array radio astronomy facility near Socorro, New Mexico; the Kitt Peak National Observatory at Tucson, Arizona; the Cerro Tololo Inter-American Observatory in Chile; the National Astronomy and Ionosphere Center in Puerto Rico; the Sacramento Peak Observatory at Sunspot, New Mexico; and the National Center for Atmospheric Research at Boulder, Colorado.

NSF is the leading Federal supporter of basic research at academic institutions. It is estimated that the Foundation provides approximately 28 percent of Federal support for research going to academic institutions. In some fields, NSF provides the dominant share of Federal basic research support, including almost 70 percent in ground-based astronomy, over 50 percent in environmental sciences, over 95 percent in environmental biology, over 50 percent in mathematics, and nearly 40 percent in engineering. The National Science Foundation operates no in-house laboratories. Except for administrative costs (approximately 5 percent) and operations support costs for the U.S. Antarctic program (about 8 percent), over 99 percent of all Federal funds appropriated to

NSF go directly to non-Federal performers of scientific research and science and engineering education activities.

RESEARCH AND RELATED ACTIVITIES

(INCLUDING U.S. ANTARCTIC PROGRAM ACTIVITIES)

1983 appropriation	$1,061,300,000
1984 budget estimate	1,250,700,000
House allowance	1,242,400,000
Committee recommendation	1,214,700,000

The Committee recommends an appropriation of $1,214,700,000 for research and related activities. This amount is $36,000,000 less than the budget estimate and $27,700,000 less than the House allowance.

PROGRAM DESCRIPTION

The research and related activities appropriation provides support for the Foundation's science, engineering, policy, and international research programs and administrative expenses. Separate appropriations are made for the science and engineering education program and for the excess foreign currency program to fund certain scientific activities overseas.

The Foundation's discipline oriented research program is subdivided into the following activities; mathematical and physical sciences; engineering; astronomical, atmospheric, Earth and ocean sciences; and biological, behavioral, and social sciences. The U.S. Antarctic program and the program of scientific, technological, and international affairs are among the other research and related activities within this appropriation.

In fiscal year 1984, the Foundation will maintain broad support across the mathematical and physical sciences, with emphasis on strong experimental capability in all fields. Balance will also be maintained among individual research projects, special equipment programs, university laboratories, and national user facilities in accordance with scientific requirements. Special emphasis is given to the mathematical sciences in order to correct serious deficiencies in the support of graduate students and postdoctoral researchers. Materials research also receives additional emphasis to address particularly strong requirements for increased research instrumentation and equipment. Research instrumentation and equipment of all types will be stressed throughout, including selected facility upgrading, such as improvements at the Cornell electron storage ring and construction of a "cooler" storage ring at the Indiana University cyclotron facility.

The program for engineering in fiscal year 1984 will expand basic and applied engineering research and improve the possibilities for converting research concepts and results into practical use. Special emphasis will include research in automation, robotics, microelectronics, novel chemical and separation processes, and water resources. Increased support for research equipment and young faculty will be highlighted.

The biological, behavioral, and social sciences activity will place particular emphasis on the following in fiscal year 1984: Enhanced research

in plant biology, with special attention on enlarging the pool of young investigators; increased availability of critically needed sophisticated instrumentation; meeting scientific opportunities arising from new developments in molecular biology and genetics; neuroscience research in such areas as sensory transduction and neuronal interactions; and development of the capabilities and utility of several major social science data bases.

In the astronomical, atomospheric, Earth, and ocean sciences program activity, NSF intends to give priority to astronomical instrumentation, including preliminary design for a very long baseline array (VLBA) for radioastronomy, to studies of Halley's comet, and late stages of stellar evolution; to basic atmospheric research on local weather, chemical processes in the atmosphere, and climate change; to Earth sciences related to earthquakes, volcanos, and the structure and evolution of the continental crust; to ocean research related to oceanic crustal dynamics and chemistry; and to continuation of an ocean drilling program. Support is also included for five national astronomy observatories and the National Center for Atmospheric Research. Operation of university and oceanographic institution research ships will also be supported, and geological and geophysical research in Alaska and elsewhere in the Arctic will continue and new emphasis will be placed on glaciology.

The Foundation provides overall management and funding for the Antarctic program. The program is the principal expression of national interest and policy concern in Antarctica. It includes projects aimed at gaining a better understanding of the role played by the Antarctic ice sheets, the influence of the contient on the world's weather and climate, and the extent and dynamics of marine protein resources, as well as the mineral resource potential of the area.

The scientific, technological, and international affairs activity supports programs which cut across scientific and engineering disciplines and across institutional and international boundaries to provide unique services to the science and technology community. Here the National Science Foundation also employs its new management practice of integrating targeted programs into mainstream research activities to guarantee close involvement of expert scientists and engineers in the research components of special initiatives and international agreements. Major activities planned in fiscal year 1984 include programs that: improve cooperation among research performers and users in universities, industry, and small business; enhance work of U.S. researchers by facilitating their cooperation with foreign scientists; provide research and analysis on public policy issues pertaining to science and technology; maintain a comprehensive data base on the Nation's science and engineering resources; and extend greater research opportunities to all segments of the scientific community.

The program development and management activity provides for the operation, support, management, and direction of all Foundation programs and activities and includes necessary funds to develop, manage, and coordinate NSF programs.

COMMITTEE RECOMMENDATION

The Committee recommends $1,214,700,000 for research and related activities. This is $36,000,000 less than the budget request and $27,700,000 less than the House allowance. The Committee's recommendation for fiscal year 1984 is $154,700,000, or 14.6 percent over the fiscal year 1983 level. The entire reduction of $36,000,000 in this account has been reallocated by the Committee to the Foundation's science and engineering education activities account—thus providing the same aggregate amount for these two accounts as the request. The Committee takes exception to the numerous program specific adjustments and earmarkings made by the House. The Committee believes that the Foundation, through its science advisory boards and peer review process, is in the best position to make these program level decisions. Consequently, the Committee has deleted these House provisions.

The Committee is concerned that while the administration proposes to increase the amount of funds available for grants by approximately 19 percent, it only proposes to increase the number of grants awarded by less than 1 percent. The Committee questions the wisdom of this resource allocation model. The history of science does not lend support to the notion that increasing the amount of money available to a basic research project increases the quality or significance of the scientific findings. In fact, given the inherent unreliability in the peer review process, a large number of highly promising research proposals that would have been recommended by a different panel of reviewers are often rejected. The Committee believes that the scientific community and the Nation would be better served if the number of grants were increased, as well as the size of the average grant. This policy would allow the Foundation to provide additional grant funds to offset the increasing cost of conducting research and, at the same time, fund additional high quality grants. The Committee has included a provision in the bill that targets one-half of the increase ($77,350,000), over the fiscal year 1983 level, provided in this account for additional grants. This targeting should permit the funding of approximately 770 additional grants, resulting in an increase of around 6 percent in total grant awards. The Committee notes that some of these additional grants could be awarded for higher risk proposals and/or research conducted by younger investigators.

The Committee continues to be concerned about the Foundation's reluctance to assert its leadership position as the Government's premier science agency. The Committee believes that the Foundation has construed its role too narrowly, as that of a grant selection agency. The issues—improving scientific communications, technology transfer, improving the peer review process, coordinating science activities within the Government and the private sector, and articulating issues of science policy—have been largely ignored. The Committee is encouraged that the current Director has taken an active interest in these areas of science stewardship. The Committee recognizes, however, that one of the impediments to the Foundation adopting a more expansive role is the longstanding lack of analytic capability and a management in-

formation system in the administrative offices of the Foundation. The Committee urged the Director to correct this situation as soon as possible.

In a related matter, the Committee is concerned that the Foundation may have sustained an unusually large personnel reduction in fiscal year 1984. The fiscal year 1984 level was reduced to 1,194, a reduction of 24 positions. The NSF has traditionally operated with a low proportion of its funds for program management activities. The Committee feels that increased oversight and strong management are required; furthermore, the science education activity at NSF must be increased. Hence, the Committee has increased the ceiling for program development and management. The increased ceiling could enable NSF to retain 10 additional staff positions if approval could be secured by the Agency from the Office of Management and Budget.

The Committee notes, and shares, the concerns expressed in the House report relative to the status of the Foundation's ocean drilling activities. The uncertainty surrounding this program has caused serious concern among members of the scientific and international community. Therefore, the Committee was pleased to receive the Foundation's revised request of $26,300,000 for the advanced ocean drilling program and has incorporated this request into its recommendations.

Over the last several years, the Committee has explored the role of the National Aeronautics and Space Administration (NASA) and the Foundation in the area of ground-based astronomy. As a result, NSF and NASA have entered into an agreement concerning the infrared telescope facility at Mauna Kea, Hawaii. The Committee is pleased that a long range funding plan has been developed for this facility, but is still concerned that the issue of the respective roles of NSF and NASA in astronomy has not been resolved. In particular, the Committee is concerned about the future of the space telescope. The Committee expects this facility to be available to the entire astronomy community through a broad-based peer review process. The Committee does not intend to sit idlely by while the astronomy program is fractionalized. The Committee expects a joint NSF/NASA report on the process that will be used for the selection of principal investigators by March 1, 1984.

The Committee notes that it has included a provision under the science education account to permit the Director to transfer up to $5,000,000 to the research and related account in support of the Foundation's expanded role in science education. These funds would be used for basic and applied research in learning and cognition, and as such, would be available to the programs under the biological, behavioral, and social sciences directorate.

The conference report on the fiscal year 1983 bill (H. Rept. 97–891) requested the Office of Management and Budget to review the role of NSF in the Antarctic program. This report, which was submitted on May 23, 1983, recognized the Committee's concern and concluded:

"In the past, there has been a concern that the Antarctic program was placing an increasing burden on the overall NSF budget. This administration has addressed this concern by requiring that OMB provide

NSF with separate funding allowances for the U.S. Antarctic program. OMB will continue to insure that NSF funding for the U.S. Antarctic program is not at the expense of other NSF scientific programs." The Committee agrees with the administration's position and has highlighted the need to consider Antarctic funding separately by establishing a new account for the Antarctic in the Senate bill.

The Committee is concerned about recent reports from the scientific and engineering community, substantiated by a recent NSF-DOD Committee report, that there is a serious threat to the leadership role of the United States in computer sciences technology. It is the opinion of the scientific community that the giant supercomputers now developed in the United States are far from sufficient or adequate to meet the current needs of our scientists and engineers, our industry or our national defense. Japanese and European nations are, some with the aid of their governments, moving ahead with ambitious plans and efforts and could surpass the United States.

In addressing this problem, the Committee requests that the Foundation look particularly at those universities with ongoing projects dealing with the design and utilization of supercomputers. The Committee, in particular, believes that most significant investment will be in machines that will be optimal for both numerical and symbolic (artificial intelligence) work. The Committee believes that the Foundation should seriously consider substantial and immediate investment in the most promising university-based projects attacking this problem.

The Committee is concerned that the Nation maintain and expand the number of highly qualified engineering and computer science professionals. It is the strong desire of the Committee that the National Science Foundation particularly target, through the grant awards process, those engineering programs which have demonstrated their ability to integrate their students into high technology and engineering industries, and are in the process of or plan to upgrade their facilities in order to provide for a better learning/research environment, including the development of a computer science counterpart to their engineering programs.

The Committee recognizes the significant contribution of scientists, mathematicians, and engineers who received their basic training at small undergraduate institutions and understands the need to provide increased emphasis on undergraduate training in both basic and applied sciences. In recent years support for undergraduate college research has not reflected the importance of these undergraduate institutions. In order to address this problem the Committee strongly urges the Foundation to increase its emphasis and financial support for research opportunities for these undergraduate institutions, including the acquisition of equipment and instrumentation.

SCIENCE AND ENGINEERING EDUCATION ACTIVITIES

1983 appropriation	$30,000,000
1984 budget estimate	39,000,000
House allowance	70,000,000
Committee recommendation	75,000,000

The Committee recommends an appropriation of $75,000,000 for the Foundation's science education activities in fiscal year 1984. This amount is $36,000,000 more than the budget estimate and $5,000,000 more than the House allowance.

PROGRAM DESCRIPTION

The Foundation's science and engineering education program is designed to encourage the entrance of talented students into science and technology careers and to assist with the national problem of opportunities for students at the precollege level to receive an adequate and current basic understanding in mathematics, science, and technology.

Graduate research fellowships provide support for the Nation's most able students to undertake graduate study in science and engineering. Each fellowship in fiscal year 1984 will provide a student stipend of $8,100 per year and a yearly cost of education allowance of $4,900 to the fellow's chosen institution. In fiscal year 1983, the National Science Foundation awarded 1,390 graduate fellowships of which approximately 140 were minority graduate fellowships. It is expected that approximately the same number of fellowships will be provided in fiscal year 1984.

The precollege subactivity is designed to encourage the status and professionalism of science and mathematics teaching as a career to encourage the development of cooperative relationships among all segments of society which can assist in the improvement of precollege science and mathematics education, encourage the development of quality instruction programs which incorporate the usage of computers and other new technologies and identify new ideas and exemplary approaches to the long-term problems of continuing science and mathematics teacher education.

A program of Presidential awards for teacher excellence in science and mathematics will be established in fiscal year 1983 and will be continued in fiscal year 1984. Approximately 100 distinguished secondary school teachers of science and mathematics are selected nationally from each State and other jurisdictions such as the District of Columbia and Puerto Rico.

Other activities to enhance the teaching capabilities of precollege science and mathematics teachers will be initiated in fiscal years 1983 and 1984 in accordance with the plan approved by the Committee on April 15, 1983.

COMMITTEE RECOMMENDATION

The Committee recommends $75,000,000 for science and engineering education activities. This is $36,000,000 more than the request and $5,000,000 more than the House allowance. Within the amount

provided, the Committee has increased the NSF fellowship program by $1,300,000. This will permit the Foundation to increase the number of first year fellows by 100 or 20 percent. The Committee expects the Foundation to allocate the remaining $54,700,000 as follows: $20,000,000 for materials development; $6,000,000 for awards and workshops; $5,000,000 for public understanding and information dissemination; $4,000,000 for high technology applications; $5,000,000 for learning and cognition research; and $14,700,000 for educational activities such as teacher training and awards.

In reference to the use of the $14,700,000, the Committee is particularly interested in the Foundation developing a "partnership program" for education in which the Federal Government participates with private business, State governments, and educational institutions to improve the quality of science and mathematics education. The National Science Foundation should give special attention to this type of program.

The Committee worked closely with the House and the Foundation in the approval of NSF's fiscal year 1983 plan for science and engineering education. That plan places heavy emphasis on the utilization of the NSF's strength—the close working relationship that the Foundation has with academic institutions and the scientific community. In light of this, and because the Committee feels instructional materials development, demonstration, and evaluation must be done before meaningful, substantive science and mathematics teacher training can take place, the Committee directs the NSF to utilize a minimum of $34,000,000 for this important activity. The Committee also notes its strong interest in the areas of public understanding of science, demonstration of high technology applications, program evaluation, and information dissemination. In addition, the Committee has targeted up to $5,000,000 in the bill for transfer to the research and related account. These funds would be used to improve our understanding of the learning and teaching process, as well as increasing our fundamental knowledge in the area of cognition. The Committee has proposed this transfer mechanism to assure that the research conducted is closely coordinated with the science education program.

SPECIAL FOREIGN CURRENCY PROGRAM (SCIENTIFIC ACTIVITIES OVERSEAS)

1983 appropriation	$2,200,000
1984 budget estimate	2,600,000
House allowance	2,900,000
Committee recommendation	2,900,000

The Committee recommends an appropriation of $2,900,000. This is $300,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The National Science Foundation supports scientific research and related activities in India and Pakistan by using U.S.-owned foreign currencies designated by the Department of the Treasury as excess to normal U.S. governmental requirements. Through the use of such special

foreign currency, NSF provides support for scientific activities of benefit to the United States and to the participating foreign countries without exporting dollars. The objectives of the program are pursued primarily through grants for cooperative research and related activities by United States and foreign scientists and institutions and through contracts for translation into English of scientific and technical information from foreign language publications.

COMMITTEE RECOMMENDATION

The Committee recommends $2,900,000 for the special foreign currency program during fiscal year 1984. This is $300,000 above the budget request and the same as the House allowance. The addition of $300,000 is made to accommodate increased use of foreign currency associated with the enhanced U.S.-India program.

NEIGHBORHOOD REINVESTMENT CORPORATION

1983 appropriation	$15,512,000
1984 budget estimate	15,512,000
House allowance	15,512,000
Committee recommendation	15,512,000

The Committee recommends an appropriation of $15,512,000 for the salaries and expenses of the Neighborhood Reinvestment Corporation. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95–557, Oct. 31, 1978). The Corporation, through the neighborhood housing services (NHS) program improves the quality of life in NHS neighborhoods for current residents, exerts a long-term stabilizing influence on the neighborhood business environment, reverses neighborhood decline and reduces the risks of doing business in the neighborhood.

In 1984, the Corporation plans to continue developing NHS programs in a limited number of additional cities; providing assistance to NHS programs expanding to additional neighborhoods; selecting neighborhood preservation projects for support, monitoring, and evaluation; and replicating promising strategies and mechanisms in other localities. As a result of Neighborhood Reinvestment's research and development efforts, over 40 neighborhood preservation mechanisms and strategies have been instituted in communities throughout the United States. An additional 30 such complementary programs are in development. Three types of complementary programs are particularly worthy of note: the apartment improvement program (AIP), the owner built housing program, and the Mutual Housing Association demonstration.

The AIP revitalizes neighborhoods for the benefit of current residents with particular emphasis on privately-owned apartment buildings. Through the use of a computerized real estate investment analysis model a financial analysis of the current and projected operations of

each selected building is studied. An individually tailored improvement plan is developed for each building, including such activities as tenant participation, contemporary tax assessment review, repair and modernization, and increased investment or restructured mortgages to improve the economic viability of the buildings and to finance improvements. Recent reductions in interest notes have permitted a substantial increase in AIP activity.

The owner built housing program addresses the severe shortage of affordable, quality housing facing moderate income families in NHS neighborhoods. This program enlarges homeownership opportunity by enabling families collectively to build their own homes, with supervision, coordination, and technical assistance provided by the NHS. This program has resulted in the production of single-family homes for about half of market value.

The Mutual Housing Association demonstration, based upon a highly effective Western European model, is designed to create prototypes of publicly accountable competent, private nonprofit organizations committed to continued annual production of new and rehabilitated housing at costs affordable to families and individuals typical of NHS neighborhoods.

The Corporation will continue to provide fundraising counseling to NHS programs throughout the country, utilizing the assistance of Neighborhood Housing Services of America (NHSA), a private, nonprofit, State chartered, tax exempt corporation established to give added private sector strength to the NHS program. NHSA provides fundraising training seminars for NHS programs, direct fundraising counseling to NHS programs toward individual fundraising goals, and hands-on management of local, regional, and statewide fundraising campaigns, and is raising social investment capital and private contributions in support of the NHS secondary market. Considerable progress has been made in the development of NHSA's capacity to keep pace with NHS secondary market needs with primary reliance on private, rather than Neighborhood Reinvestment, resources.

COMMITTEE RECOMMENDATION

The Committee recommends $15,512,000 in new budget authority for the Corporation. This is the same as the budget request and the House allowance. Other funding sources will increase the total available to the Corporation to approximately $16,649,000 in fiscal year 1984. This is $1,778,000 less than the amount available in fiscal year 1983. The reduction in the funds available to the Corporation is due to the initial decision of the Corporation's Board member entities to discontinue their financial support.

The Committee has modified House bill language prohibiting the earmarking of the Corporation's appropriated funds for the purpose of conducting a mutual housing rehabilitation demonstration program or initiating a second mutual housing project. The modification permits the Corporation to continue its efforts in the three communities currently under planning. The Committee is concerned, however, that the Cor-

poration's funding package for the Baltimore demonstration be in place before additional mutual housing capital grants are made available elsewhere.

In this regard, the Committee is aware that the depository institution regulatory agencies represented on the Board of Directors of the Neighborhood Reinvestment Corporation are proposing, after providing financial support in fiscal year 1983, to discontinue their financial support of the Corporation in fiscal year 1984. The Committee urges the Board of Directors to reconsider its position.

Selective Service System

SALARIES AND EXPENSES

1983 appropriation	[1] $23,264,000
1984 budget estimate	25,499,000
House allowance	24,049,000
Committee recommendation	24,649,000

[1] Includes $564,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $24,649,000 for the salaries and expenses of the Selective Service System. This is $850,000 less than the budget estimate and $600,000 more than the House allowance.

PROGRAM DESCRIPTION

The Selective Service System was reestablished by the Selective Service Act of 1948. The basic mission of the System is to be prepared to supply to the Armed Forces manpower adequate to insure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which men will be brought into the military through the reinstitution of the draft if mobilization occurs and if the legislative bar to reinstituting the draft is lifted.

Registration was reinstituted in July 1980. In January 1982, the President reaffirmed the need for young men to register with Selective Service in order to save critical time in mobilization during an emergency. He also provided for a grace period for young men who were required to have registered before January 8, 1982, but who failed to do so. The grace period ran through February 28, 1982.

Selective Service plans to capitalize on the President's commitment to the continuation of registration by mounting an intensive public information campaign designed to inform young men of their obligation to register and the consequences of not doing so. Continuing promotional activities are also being prepared to keep this information in the public eye.

In an effort to identify young men who have not registered, Selective Service is carrying out a compliance program. Procedures have been developed for matching computerized records of registrants with those of the Social Security Administration and the department of motor vehicles within the various States and territories. Eligible men not in Selective Service files will be identified as nonregistrants. Once iden-

tified, they are invited to register. If they fail to do so, their names are turned over to the Department of Justice for appropriate enforcement action.

During fiscal year 1983, the alternative service regulations became effective. Additionally, local alternative service office locations for the program were designated. In fiscal year 1984, alternative service will train approximately 350 civilian volunteers for positions as members of civilian review boards.

COMMITTEE RECOMMENDATION

The Committee recommends $24,649,000 for the Selective Service. This is $850,000 less than the budget request and $600,000 more than the House allowance. The Committee concurs with the House reduction of $800,000 in the public awareness program. This action will result in a program level of $600,000 in fiscal year 1984, or the same level as available in fiscal year 1983. The Committee does not believe that a 133-percent increase in this program is warranted. The Committee also agrees with the $50,000 reduction in travel. This reduction in travel expenses will still permit an increase of $180,000 or 25 percent over the fiscal year 1983 level. The Committee has restored the $600,000 reduction, proposed by the House, in the compliance program. The Committee believes that these funds are necessary in order to achieve high registration rates. A strong compliance program is a more acceptable method of assuring registration than criminal prosecution. The House and Senate version of the bill contains language carried in previous appropriation acts prohibiting funds from being used to induct any person into the Armed Forces.

DEPARTMENT OF THE TREASURY

PAYMENTS TO STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND

1983 appropriation	$4,566,700,000
1984 budget estimate	4,566,700,000
House allowance	[1]
Committee recommendation	4,566,700,000

[1] Deferred.

The Committee recommends an appropriation of $4,566,700,000 for payments to the State and local government fiscal assistance trust fund. This is the same as the budget estimate. The House deferred consideration of this item.

PROGRAM DESCRIPTION

The State and local government fiscal assistance trust fund provides revenue-sharing payments to localities to supplement local revenue sources. Payments to localities are made quarterly. Currently, 39,209 units of general-purpose local governments are eligible to receive revenue-sharing funds: 3,106 counties, 19,044 municipalities, 16,726 towns and townships, and 333 Indian tribes and Alaskan Native villages.

Distribution of the funds is based on population, tax effort, and per capita income. Local jurisdictions are allowed to use the funds for any purposes for which they can legally use revenues generated locally.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $4,566,700,000 for payments to the State and local government fiscal assistance trust fund. The Committee understands the reluctance of the House to fund this program without the benefit of an authorization. However, Senate bill S. 41 proposes such a reauthorization at the level recommended by the Committee. The Committee also notes that two-thirds of the Members of the Senate are cosponsors of this bill. Furthermore, the Committee notes that in the event that revenue sharing is authorized at a higher level, the Committee will consider providing additional funding in a supplemental.

OFFICE OF REVENUE SHARING, SALARIES AND EXPENSES

1983 appropriation	[1] $6,867,000
1984 budget estimate	7,678,000
House allowance	7,378,000
Committee recommendation	7,278,000

[1] Includes $255,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $7,278,000 for the salaries and expenses of the Office of Revenue Sharing. This is $400,000 less than the budget estimate and $100,000 less than the House allowance.

PROGRAM DESCRIPTION

The Office of Revenue Sharing was established in 1972 for the purpose of implementing the State and Local Fiscal Assistance Act of 1972, which was amended and extended through September 30, 1983 by the State and Local Fiscal Assistance Amendment of 1980 (Public Law 96–604). Specifically, the Office of Revenue Sharing is responsible for correctly computing and distributing revenue-sharing funds and maintaining adequate controls to insure the integrity of the trust funds; supplying adequate information, data, and technical assistance to all recipients to assure compliance with the act; improving the quality of State and local audits to eliminate noncompliance with audit requirements; insuring compliance with the nondiscrimination and public participation provisions of the act; and, at regular intervals, reporting to Congress, recipient governments, and the general public.

COMMITTEE RECOMMENDATION

The Committee recommends $7,278,000 for salaries and expenses of the Office. This is $400,000 less than the budget request and $100,000 less than the House allowance. The $400,000 reduction is based on a provision contained in the Senate version of the fiscal year 1983 Supplemental (H.R. 3069), which would permit the Office to carry forward $400,000 of unneeded standard level user charges from fiscal year 1983. The Committee has, therefore, taken a corresponding reduction in the fiscal year 1984 budget request.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

1983 appropriation	$13,430,800,000
1984 budget estimate	13,842,000,000
House allowance	13,842,000,000
Committee recommendation	13,842,000,000

The Committee recommends an appropriation of $13,842,000,000 for compensation and pensions. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance is also provided for service-connected veterans who use a prosthetic or orthopedic device.

The Veterans Compensation, Education, and Employment Amendments of 1982 (Public Law 97–306) increased both disability compensation for disabled veterans and dependency and indemnity compensation rates for surviving spouses and children by approximately 7.4 percent, effective October 1, 1981.

The Prisoner of War Health-Care Benefits Act of 1981 (Public Law 97–37), effective October 1, 1981, liberalized entitlement to compensation benefits for POW's by reducing, from 6 months to 30 days, the period of internment required for presumptive service-connection to be applied.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to nonservice connected disabilities which render them permanently and totally disabled. Veterans 65 years of age or older are excluded from the permanent and total disability requirement in determining eligibility. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or his survivors.

The Veterans and Survivors' Pension Improvement Act of 1978 (Public Law 95–588) reformed the pension program and provided for automatic annual cost-of-living increases comparable to annual social security increases for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. The increase for fiscal year 1982 was 7.4 percent.

The Omnibus Budget Reconciliation Act of 1982 (Public Law 97–253) restricts initial or increased payment of compensation or pension benefits to the first full month of entitlement. It also discontinued entitlement for dependency allowance, at the end of the month in which dependency ceases.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $13,842,000,000 for compensation and pensions. The estimated caseload and costs by program for 1983 and 1984 are as follows:

	1983	1984	Difference
Caseload:			
Compensation:			
Veterans	2,267,000	2,264,750	-2,250
Survivors	349,000	347,500	-1,500
Pensions:			
Veterans	803,000	775,000	-28,000
Survivors	932,000	885,000	-47,000
Burial benefits	155,000	158,000	+3,000
Funds:			
Compensation:			
Veterans	$7,934,759,000	$8,018,440,000	+$83,681,000
Survivors	1,811,050,000	1,815,749,000	+4,699,000
Pensions:			
Veterans	2,562,700,000	2,571,400,000	+8,700,000
Survivors	1,378,166,000	1,311,200,000	-66,966,000
Burial benefits	134,919,000	142,615,000	+7,696,000
Other assistance	6,081,000	6,285,000	+204,000
Miscellaneous adjustments	-396,875,000	-23,689,000	+373,186,000
Total, appropriation	13,430,800,000	13,842,000,000	+411,200,000

The administration has again proposed dividing the compensation and pensions appropriation into three separate accounts: compensation, pensions, burial benefits, and miscellaneous assistance. The House and Senate Committees have again disapproved this proposal and recommend $13,842,000,000 in a single compensation and pensions appropriation in fiscal year 1984.

The 1984 compensation and pensions budget request reflects proposed legislative savings of $113,300,000 due to an anticipated 6-month delay in the pension cost-of-living increase. In addition, an estimated $238,000,000 for a delayed compensation cost-of-living increase is not being requested at this time. The Committee recognizes that supplemental funding will be necessary when final disposition of proposed legislation is known.

READJUSTMENT BENEFITS

1983 appropriation	$1,665,800,000
1984 budget estimate	1,371,000,000
House allowance	1,371,000,000
Committee recommendation	1,521,000,000

The Committee recommends an appropriation of $1,521,000,000 for readjustment benefits. This amount is $150,000,000 more than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The readjustment benefits appropriation finances the education, and training of veterans and servicepersons whose service occurred at least in part, between February 1, 1955 and December 31, 1976—post-Korean and Vietnam-era veterans. It also finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total permanent service-connected disability as well as dependents of servicepersons who were captured or missing in action. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with associated approved adaptive equipment.

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) effective October 1, 1981, terminated new enrollments into flight training and reduced the payment to correspondence trainees from 70 percent of costs to 55 percent.

The Veterans' Disability Compensation, Housing, and Memorial Benefits Amendments of 1981 (Public Law 97–66) effective October 1, 1981, increased the maximum amount for a specially adapted housing grant from $30,000 to $32,500. It also increased the maximum amount for an automobile grant from $3,800 to $4,400 and extended eligibility for adaptive equipment to veterans suffering service-connected ankylosis of one or both knees or hips.

The Veterans Health Care, Training, and Small Business Loan Act of 1981 (Public Law 97–72) effective January 1, 1982, provides a 2-year extension of the delimiting period for certain Vietnam-era veterans to pursue on-job training, vocational technical training, or high school training.

The Veterans Compensation, Education, and Employment Amendments of 1982 (Public Law 97–306), effective January 1, 1982, extended the 2-year extension cited above an extra year, until December 31, 1984.

COMMITTEE RECOMMENDATION

The Committee recommends $1,521,000,000 for readjustment benefits for fiscal year 1984. This is $150,000,000 more than the budget request and the House allowance.

The recommended amount is based on the following assumptions and the inclusion of a $150,000,000 provision for a new veterans' job training program, which is subject to the enactment of authorizing legislation:

	1983	1984	Difference
Number of trainees:			
Education and training:			
Post-Korean conflict veterans and service persons	683,400	555,500	-127,900
Dependents	88,600	85,800	-2,800
Special assistance to disabled veterans: Vocational rehabilitation	32,000	32,500	+500
Total	804,000	673,800	-130,200
Funds:			
Education and training:			
Post-Korean conflict veterans and service persons	$1,334,046,000	$1,032,447,000	-$301,599,000
Dependents	192,814,000	186,927,000	-5,887,000
Special assistance to disabled veterans:			
Vocational rehabilitation	126,685,000	130,852,000	+4,167,000
Housing grants	16,190,000	16,175,000	-15,000
Automobiles and other conveyances	3,520,000	3,080,000	-440,000
Adaptive equipment	10,266,000	11,519,000	+1,253,000
Unobligated balances and other adjustments	17,721,000	-10,000,000	+7,721,000
Total appropriation	1,665,800,000	1,371,000,000	-294,800,000

VETERANS INSURANCE AND INDEMNITIES

1983 appropriation	$6,400,000
1984 budget estimate	7,400,000
House allowance	7,400,000
Committee recommendation	7,400,000

The Committee recommends $7,400,000 for veterans insurance and indemnities in fiscal year 1984. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; and Servicemen's indemnities, applicable to Korean conflict veterans.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $7,400,000 for fiscal year 1984, as included in the bill. This will cover the cost to various insurance funds for claims traceable to the extra hazards of service and death claims on policies under waiver of premiums while the insured is on active duty.

MEDICAL CARE

1983 appropriation	[1 2] $7,766,774,000
1984 budget estimate	8,058,526,000
House allowance	8,078,526,000
Committee recommendation	8,065,187,000

[1] Includes transfer of $1,000,000 into medical care from general operating expenses and the $75,000,000 provided by Public Law 98–8.
[2] Includes $180,168,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $8,065,187,000 for medical care in fiscal year 1984. This amount is $6,661,000 more than the budget estimate and $13,339,000 less than the House allowance.

PROGRAM DESCRIPTION

The VA operates the largest medical care delivery system in the country, with 172 hospitals, 16 domiciliaries, 103 nursing homes, and 227 outpatient clinics. It is estimated that the VA medical care system will treat over 1.3 million patients in fiscal year 1984 and that over 18.4 million outpatient medical and dental visits will be made to VA and community health care facilities.

This appropriation provides for medical care and treatment of eligible beneficiaries in VA hospitals, nursing homes, domiciliary, and outpatient clinic facilities; contract hospitals; State home facilities, on a grant basis; contract community nursing homes; and through the hometown outpatient program on a fee basis. Hospital and outpatient care also is provided for certain dependents and survivors of veterans under the civilian health and medical program of the VA (CHAMPVA). The medical care appropriation also provides for training of medical residents and other personnel in health science fields to support the agency's and the Nation's health manpower demands.

COMMITTEE RECOMMENDATION

The Committee recommends $8,065,187,000 for the medical care account. This is $6,661,000 more than the budget estimate and $13,339,000 less than the House allowance. The Committee concurs with the House assessment that the 1984 estimates for utilities, fuels, and medical and dental supplies contain substantial increases above the 1983 levels and that these estimates may be too high. The Committee expects that any savings that might be realized in utilities, fuels, and medical and dental supplies will be used only for additional nurse positions and to increase the community nursing home census.

On April 20, 1983, the administration reduced the 1984 medical care budget requested by $20,000,000. The message indicated this reduction was an offset to the additional funds for maintenance and repair (M&R) projects provided in the recently enacted jobs bill (Public Law 98–8). The Committee understands that only $9,700,000 has been applied by the VA to items that would have otherwise been funded in fiscal year 1984. Therefore, the Committee has restored the remaining $10,300,000 to the VA budget. The Committee is somewhat concerned that the VA could only identify $9,700,000 worth of fiscal year 1984 projects out of a total of $75,000,000, provided in Public Law 98–8, that

could be funded in fiscal year 1983. This implies that the M&R plans are not well defined. The Committee considered reducing the fiscal year 1984 request for M&R, but instead directs the VA to prepare a report on the M&R planning process for submission to the Committee by March 1, 1984.

The Committee has reduced the VA's equipment (object class 31) request by $5,539,000. The Committee notes that the ratio of additional to replacement equipment shows a marked increase in fiscal year 1984 from prior year levels. In recommending this reduction, the Committee also directs the VA to restore the prior balance by allocating $130,000,000 for additional equipment and $120,000,000 for replacement equipment. At these levels, both equipment categories will be at the highest levels in recent years.

Based on information received from GAO, the Committee has eliminated from the VA's major construction account a proposed new nursing care facility. This facility would have provided 60 beds of nursing home care. The anticipated annual operating cost of this facility is approximately $1,900,000. The Committee has increased the medical care account by this amount in order to provide for additional nationwide contract nursing home care. The Committee notes that this will result in an increase of approximately 100 contract care beds.

In order to more effectively monitor the allocation of resources during fiscal year 1984, the Committee directs the VA to prepare an operating plan for the medical care account containing estimates for the following items by November 1, 1983:

MEDICAL CARE ACTIVITIES

Medical bed sections
Surgical bed sections
Psychiatric bed sections
Intermediate bed sections
VA hospitals
VA nursing homes
VA domiciliaries
Outpatient care
Miscellaneous benefits and services
Education and training
VA facilities
Contract hospitals
State home hospitals
Community nursing homes
State home nursing
State home domiciliaries
CHAMPVA
(Inpatient)
(Outpatient)
Non-VA facilities

OBJECT CLASSIFICATION

25 Other services:
- Outpatient dental fees
- Medical and nursing fees
- Repairs to furniture and equipment
- M&R contractual services
- Incentive therapy
- Contract hospitalization
- Community nursing homes
- Repairs to prosthetic appliances
- Other contractual services
- CHAMPVA

26 Supplies and materials:
- Provisions
- Drugs and medicines
- Blood and blood products
- Medical and dental supplies
- Fuels
- Operating supplies
- M&R supplies
- Linens and uniforms
- Office supplies
- Prosthetic appliances
- Fee prescriptions

31 Equipment:
- Replacement
- Additional

After November 1, 1983, the Committee expects to be notified of any changes to the above plan in accordance to the reprograming instructions contained in the front of this report.

The Committee continues to be concerned that development of a systemwide computer information system at the VA not be delayed. In particular, the Committee expects the VA to develop an integrated ADP system that can be used by the Administrator in terms of resource allocation across the VA. Consequently, the Committee requests that the VA prepare a report on their plan to develop such an information and allocation system.

The Committee understands that the VA is currently undertaking an extensive review of existing staffing models and the application of such models to the VA staffing requirements. The Committee strongly encourages the VA to continue this effort and requests a report on the status of this effort by March 1, 1984.

The Senate notes that the House made provision for the VA to test commercially available off-the-shelf integrated medical information systems. (These systems should be hospitalwide, fully integrated, with high-speed communications and responsive data base capabilities.) The Committee directs the VA to prepare a plan to conduct these demonstrations at three medical centers of varying size and to reserve funds sufficient to cover the plan once it has been approved by the House and Senate Committees.

At the level of funding provided by the Committee, the average employment (FTEE) in medical care will be 190,544 or 2,306 FTEE above the fiscal year 1983 level.

MEDICAL AND PROSTHETIC RESEARCH

1983 appropriation	[1] $154,839,000
1984 budget estimate	156,325,000
House allowance	162,325,000
Committee recommendation	162,325,000

[1] Includes $2,174,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $162,325,000 for medical and prosthetic research activities. This amount is $6,000,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The appropriation recommended by the Committee provides funds for the conduct of the VA's medical research program and for a rehabilitative research program focusing on rehabilitative engineering problems in the field of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. The medical and prosthetic research account also provides support for health services research projects at VA medical centers for improving the effectiveness and economy of delivery of health services and improving the accessibility of services to veterans.

COMMITTEE RECOMMENDATION

The Committee recommends $162,325,000 for medical and prosthetic research. This is $6,000,000 more than the budget request and the same as the House allowance. The Committee directs that $1,500,000 of the increase be targeted for health services research for research related to improved diagnosis techniques, self- and home-administered therapy, and preventive health care. At the proposed level of funding, the average employment (FTEE) in this account will be 4,385 or the same as the fiscal year 1983 level.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

1983 appropriation	[1] $56,420,000
1984 budget estimate	66,552,000
House allowance	66,552,000
Committee recommendation	66,552,000

[1] Includes $613,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $66,552,000 for medical administration and miscellaneous operating expenses. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

This appropriation provides funds for: (1) central office executive direction, administration and supervision of all VA medical programs, including development and implementation of policies, plans and program objectives as well as followup action to insure the accomplishment

of goals; (2) postgraduate and inservice training activities in support of continuing education for employees of various medical programs, including costs of tuition, travel, lecturer's fees, and training materials, and equipment; and (3) a health professional scholarships grant program for eligible students in nursing degree programs.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $66,552,000 for medical administration and miscellaneous operating expenses in fiscal year 1984. This is an increase of $10,745,000 above the 1983 level and will support a total of 856 average employment (FTEE) in 1984.

GENERAL OPERATING EXPENSES

1983 appropriation	[1] $691,152,000
1984 budget estimate	719,088,000
House allowance	712,088,000
Committee recommendation	712,088,000

[1] Includes $2,152,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $712,088,000 for general operating expenses in fiscal year 1984. This amount is $7,000,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

This appropriation provides for the administration of nonmedical veterans benefits through the Department of Veterans Benefits; the operation and maintenance of 108 national cemeteries by the Department of Memorial Affairs; and top management direction and support through agency-level staff offices including the Office of Data Management and Telecommunications. Specifically, general operating expenses cover the following activities:

Veterans benefits.—This activity determines eligibility and adjudicates all claims for compensation, pensions, educational assistance, housing loan assistance, and insurance awards.

Memorial affairs.—This activity provides for the interment of eligible deceased servicepersons, discharged veterans, and dependents in national cemeteries and procures headstones and markers for graves of eligible active duty personnel as well as discharged veterans.

General administration.—This activity includes the executive direction of the agency and several top level supporting offices, plus the activities of the Board of Veterans Appeals, which decides all cases of appeals to the Administrator on claims involving benefits under veterans legislation, and the Board of Contract Appeals, which decides appeals on the contracts made by the VA.

COMMITTEE RECOMMENDATION

The Committee recommends $712,088,000 for general operating expenses in fiscal year 1984. This amount is $7,000,000 below the budget request and the same as the House allowance. The Committee recom-

mendation is $24,088,000 above the 1983 level. The decrease is to be applied at the discretion of the VA to activities other than the Board of Veterans Appeals. The Committee believes that the VA may be able to apply savings achieved through a reduction in GSA standard level user charges.

The Committee understands that requests for appraisals, new loan applications, and refinancing of loans have increased substantially and that, as a result, processing delays are occurring in a number of VA offices. The Committee directs the VA to undertake efforts to curtail delays and to improve the efficiency of processing in the VA loan guarantee program.

The Committee expects the VA to maintain an average employment (FTEE) of 20,235 in fiscal year 1984.

CONSTRUCTION, MAJOR PROJECTS

1983 appropriation	$407,392,000
1984 budget estimate	[1] 674,392,000
House allowance	350,992,000
Committee recommendation	341,692,000

[1] Includes $263,400,000 in proposed to be funded in the pay supplemental bill (H.R. 3069).

The Committee recommends an appropriation of $341,692,000 for the construction of major projects in fiscal year 1984. This amount is $332,700,000 less than the budget estimate and $9,300,000 less than the House allowance.

PROGRAM DESCRIPTION

The construction, major projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the VA, including planning, architectural and engineering services, site acquisition, and art in architecture where the estimated cost of a project is $2,000,000 or more.

COMMITTEE RECOMMENDATION

A construction program of $341,692,000 in appropriations is recommended for the construction projects listed below. This is $332,700,000 below the budget request and $9,300,000 below the House allowance.

[In thousands of dollars]

Facility type and location	Administration request	House recommendation	Senate recommendation
A. MEDICAL PROJECTS			
Biloxi (BD and GD), Miss., modernize various buildings	$78,800	$78,800	$78,800
Minneapolis, Minn., replacement hospital	254,000	(1)	(1)
Subtotal	332,800	78,800	78,800
Nursing home care:			
Loma Linda, Calif., 60 beds	4,500	4,500	4,500
Lyons, N.J., 240 beds	20,000	20,000	20,000
Miami, Fla., 120 beds	7,100	7,100	7,100
Northport, N.Y., 120 beds	8,200	8,200	8,200
Providence, R.I., 60 beds	5,300	5,300	.....
San Francisco, Calif., 120 beds	14,700	14,700	10,700
West Los Angeles, Calif., 120 beds, conversion, building 213	7,500	7,500	7,500
Subtotal	67,300	67,300	58,000
Research and education:			
East Orange, N.J., relocate and consolidate research and expand clinical laboratories	3,800	3,800	3,800
Outpatient improvements:			
Chicago (WS), Ill., outpatient addition and renovation, buildings 11A and 11B	36,100	36,100	36,100
Omaha, Nebr., outpatient addition	26,000	26,000	26,000
Pittsburgh (UD), Pa., outpatient addition	21,980	21,980	21,980
Subtotal	84,080	84,080	84,080
Other improvements:			
Advance planning fund: Various stations	25,000	25,000	25,000
Asbestos abatement: Various stations	4,000	4,000	4,000
Energy conservation: Various stations	4,354	4,354	4,354
Clinical improvements:			
Charleston, S.C., clinical addition and renovation of existing services	12,900	12,900	12,900
Cleveland, Ohio clinical improvements and relocation of surgical service	9,400	(1)	(1)
Fayetteville, N.C., clinical addition	22,000	22,000	22,000
Lake City, Fla., clinical addition and outpatient care	5,200	5,200	5,200
Murfreesboro, Tenn., clinical addition and alterations	15,300	15,300	15,300
Sioux Falls, S. Dak., addition and renovation for ambulatory care, clinical services, and administration and education	12,800	12,800	12,800
Subtotal	110,954	101,554	101,554
General projects:			
Bath, N.Y., renovate building 78 for nursing home care unit	7,000	7,000	7,000

[In thousands of dollars]

Facility type and location	Administration request	House recommendation	Senate recommendation
A. MEDICAL PROJECTS—Continued			
Battle Creek, Mich., renovate building 82	3,800	3,800	3,800
Brockton, Mass., modernize buildings 2 and 7	24,000	24,000	24,000
Castle Point, N.Y., building addition	8,000	8,000	8,000
Hines, Ill., new warehouse & service buildings	11,000	11,000	11,000
Perry Point, Md., new laundry building	7,700	7,700	7,700
Pittsburgh (HD), Pa., central laundry	6,500	6,500	6,500
San Antonio, Tex., supply warehouse and supply processing distribution	4,200	4,200	4,200
Syracuse, N.Y., fire and safety, patient privacy support system and heating, ventilation and air-conditioning	32,800	32,800	32,800
Tomah, Wis., remodel buildings 406 and 408	9,800	9,800	9,800
Waco, Tex., new dietetic building	7,500	7,500	7,500
Subtotal	122,300	122,300	122,300
Elevators:			
Durham, N.C., three additional elevators, trash and linen chute	3,000	3,000	3,000
Fire and safety improvements:			
Leavenworth, Kans., fire and safety improvements for buildings 88, 89, 90, 91, & 122; patient privacy improvements for building 90	9,600	9,600	9,600
Livermore, Calif., fire and safety improvements; additional service elevator	6,500	6,500	6,500
Subtotal	16,100	16,100	16,100
Electrical improvements:			
Cincinnati, Ohio, upgrade electrical distribution system	3,500	3,500	3,500
San Diego, Calif., emergency generator and conservation of energy	4,200	4,200	4,200
Subtotal	7,700	7,700	7,700
B. CEMETERY PROJECTS			
Calverton National Cemetery, N.Y., develop 78,000 gravesites and additional facilities	3,726	3,726	3,726
Fort Logan National Cemetery, Colo., administration building and entrance drive	1,138	1,138	1,138
Various stations, advance planning fund	500	500	500
Subtotal	5,364	5,364	5,364
Reprograming from prior appropriations	-79,006	-139,006	-139,006
General reduction			
Total construction, major	674,392	350,992	341,692

[1] Funds included in proposed pay supplemental bill (H.R. 3069).

Of the $332,700,000 reduction below the budget request, $263,400,000 is associated with the advanced funding in fiscal year 1983 of the Minneapolis and Cleveland construction projects. An additional $60,000,000 was taken from the working reserve as a result of accumulated savings from completed construction projects. The other $4,000,000 represents a reduction in the San Francisco, Calif., nursing home care facility. The Committee does not believe that a multistory parking garage should be constructed at this site. The Committee expects the VA and the Department of the Interior to work out an agreement covering the use of the adjacent land.

The Committee has deleted funding for the Providence, R.I., nursing home facility. The Committee notes that this facility is the lowest priority of the seven nursing home projects contained in the budget request. The Committee further notes that the VA's revalidation team did not identify an immediate need for the Providence facility and recommended deferring the project. The Committee has, in a separate action, included $1,900,000 in the medical account to provide for an additional 100 nursing care contract beds nationally.

The Committee objects to the position taken by the House relative to the VA advanced construction planning fund. In particular, the Committee believes that a policy limiting VA's planning efforts to those projects listed in the House report would obviate the very need for advanced planning. Specifically, the House language that would require the VA to fund construction projects in the order that the projects enter advance planning would preclude the VA from eliminating, rescheduling, and even redesigning projects. The Committee believes that the VA should be given the leeway to study the entire needs of its health care system and determine which needs are the most pressing. The Committee has deleted the House language from the bill.

The Committee has been dissatisfied in recent years with the justifications VA provides in its budget for some of its major construction projects. If the Committee concludes that a particular project is not warranted, it is left with few options. Because VA officially proposes projects to the Congress only after considerable development, the Committee is reluctant to delete specific projects and there are generally no alternative projects which the Committee could substitute for a project it wishes to delete. The solution to this problem is to involve the Committee earlier in VA's project planning. The Committee recognizes that major construction planning is likely to change as medical district initiated program planning becomes operational, and that VA has recently begun to discuss construction projects in order of priority. The Committee also recognizes that VA will not be able to present reliable cost data until a project has been through the advance planning process. Nevertheless, the Committee needs to be better informed of VA's justification for these projects as they progress through this planning process. Therefore, the Committee directs VA to include more detailed project descriptions and justifications in its 5-year construction plans and advance planning fund project lists. The Committee intends to use this information to discuss projects and priorities with VA, the House Appropriations Committee, and the authorizing committees.

The Committee is aware of, and pleased with, the Administration's action in contracting with the National Institute of Building Sciences (NIBS) to develop a startup and operations manual for VA hospitals that will provide those assigned such responsibilities with the information necessary to enable them to understand and carry out the energy conservation and other design objectives. The Committee recognizes this activity as being in response to its expectations expressed in S. Rept. 97–163, and encourages the Administration to continue this work at an adequate level of support from funds in this or other accounts.

The Committee has included two new legislative provisions concerning the administration of the VA's major construction account. The first provision restricts the VA from obligating funds from other accounts for the construction or alteration of a project funded in this account until 1 year after the final acceptance of the project by the VA. The Committee has found, in its recent review of the Salt Lake City ambulatory care and clinical addition construction project, that the VA applied funds from other accounts to cover construction cost overruns. This procedure was used, in part, to avoid going through the normal budget process to obtain additional funds. This language is intended to insure that the Veterans Administration complies with the congressional intent when funds are appropriated for a major construction project. The intent is that a project which has been approved in the budget process and funded by an appropriation should be completed without the use of funds from any other source. If additional funds are required, the VA should request a supplemental appropriation or reprogram funds with congressional approval, rather than turning to another account. This language is not intended to prohibit normal, routine expenditures for equipment and maintenance, which are expenses intended to be borne by other accounts. It is intended to insure that the VA does not augment or supplement appropriated funds without congressional approval.

The Committee has also included a new legislative provision which requires the Administrator to report to the Comptroller General in the event that a contract for working drawings is not awarded by the end of fiscal year 1984 and/or the construction contract is not awarded by the end of fiscal year 1985. The Committee has included this provision to insure that construction funds are expeditiously obligated and that Congress is not presented with a de facto impoundment.

CONSTRUCTION, MINOR PROJECTS

1983 appropriation	$141,748,000
1984 budget estimate	193,878,000
House allowance	193,378,000
Committee recommendation	177,185,000

The Committee recommends an appropriation of $177,185,000 to finance the construction of minor projects and expenses of the Office of Construction. This amount is $16,693,000 less than the budget estimate and $16,193,000 less than the House allowance.

PROGRAM DESCRIPTION

The construction, minor projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than $2,000,000, and expenses of the Office of Construction. Emphasis is placed on correction of code deficiencies in this appropriation request. The recommendation includes personnel for the Office of Construction and a one-time request of $8,500,000 for a capital plant evaluation. This is a proposed plan to survey all VA medical centers to determine physical condition and to help establish construction priorities. The recommendation also anticipates a reprograming of $66,000 to cover expenses associated with the increased executive pay cap.

COMMITTEE RECOMMENDATION

The Committee recommends $177,185,000 for this account. This is $16,693,000 less than the budget request and $16,193,000 less than the House allowance.

Within the amount provided, the Committee directs the VA to allocate no less than $1,750,000 for the Grafton National Cemetery in West Virginia as proposed in the administration's fiscal year 1984 budget request.

The Committee continues its support for the VA's minor construction program but notes that the program experienced an increase of 38 percent in fiscal year 1983 and that the Committee's recommendation would permit a further increase in fiscal year 1984 of 25 percent.

The bill also includes, as requested, a limitation of $45,838,000 for the expenses of the Office of Construction. The Committee also restored the 13 staff-years deleted by the House.

At the level of funding recommended, the average employment (FTEE) in this account will be 808, or 31 FTEE, over the fiscal year 1983 level.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

1983 appropriation	$18,000,000
1984 budget estimate	18,000,000
House allowance	18,000,000
Committee recommendation	18,000,000

The Committee recommends an appropriation of $18,000,000 for grants for the construction of State extended care facilities. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

This account is used to provide grants to assist States in constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the

project, and grants to any one State may not exceed one-third of the amount appropriated in any fiscal year.

As of September 30, 1982, Federal funds in excess of $120,088,000 have been obligated to help finance 159 projects in 33 States.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $18,000,000 for grants for construction of State extended care facilities in fiscal year 1984. This amount is the same as the 1983 level and will provide for 11 projects which will produce 402 additional domiciliary beds and 350 additional nursing home beds.

The budget also proposes to make the funds appropriated available until expended. The Committee concurs with the House in disapproving this proposal and retains the 3-year availability of funds.

GRANTS FOR CONSTRUCTION OF STATE VETERANS CEMETERIES

1983 appropriation	$2,500,000
1984 budget estimate	3,000,000
House allowance	3,000,000
Committee recommendation	3,000,000

The Committee recommends an appropriation of $3,000,000 for grants for the construction of State veterans cemeteries in fiscal year 1984. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Public Law 95–476 authorizes a grants program to assist individual States in establishing, expanding, and improving veterans cemeteries. The administration may make grants in an amount not to exceed 50 percent of the total value of the land and the cost of improvements, with the remaining amount to be contributed by the State. No State may receive in any fiscal year a total amount greater than 20 percent of the appropriations.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $3,000,000 for this program during fiscal year 1984.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

1983 appropriation	$500,000
1984 budget estimate	500,000
House allowance	500,000
Committee recommendation	500,000

The Committee recommends an appropriation of $500,000 for grants to the Republic of the Philippines. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Public Law 97-72, enacted to assure the continued effective care and treatment of U.S. veterans at the Veterans Memorial Medical Center (VMMC), provides for an annual grant of $500,000 through 1986. The grant is for the replacement and upgrading of equipment and the rehabilitation of the VMMC's physical plant and facilities.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $500,000 for grants to the Republic of the Philippines. This grant will assure the continued effective care and treatment of U.S. veterans and those aforementioned veterans at the medical center.

The budget also proposes to make the funds appropriated available until expended. The Committee concurs with the House in disapproving this proposal and retains the 2-year availability of funds.

DIRECT LOAN REVOLVING FUND

(LIMITATION ON DIRECT LOANS)

The revenues and receipts from direct loan operations make funds available for the extension of credit to severely disabled veterans for specially adapted housing and for current expenses, excluding administrative expenses. Such funds also provide a source of financing to the loan guaranty program through transfers to the loan guaranty revolving fund. In 1984, 25 direct loans in the amount of $810,000,000 are expected to be closed. Additionally, a transfer of $100,000,000 to fund the 1984 loan guaranty program is expected.

The VA requests that the dollar limitation for specially adapted housing direct loans be removed in 1984. The Committee agrees with the House action of retaining the $1,000,000 limitation.

The Committee has deleted House bill language that would have allowed such amounts as necessary in the direct loan revolving fund to be allocated for a new mortgage assistance program. While the Committee has no objection to such a program, it believes that an authorization should be in place before funds are provided.

TITLE III

CORPORATIONS

FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES

	Administrative expenses	*Nonadministrative expenses*
1983 limitation	[1] $25,010,000	[2] $41,080,000
1984 budget estimate	25,820,000	40,570,000
House allowance	25,820,000	40,570,000
Committee recommendation	25,820,000	40,570,000

[1] Includes $650,000 in proposed pay supplemental bill (H.R. 3069).
[2] Includes $400,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends the same limitation on administrative expenses and nonadministrative expenses as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Federal Home Loan Bank Board formulates policies for and supervises the operation of the 12 Federal home loan banks, the system of Federal savings and loan associations, the Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Mortgage Corporation. It is also responsible for the examination of Federal savings and loan associations and for the examination and supervision of State-chartered institutions insured by the Federal Savings and Loan Insurance Corporation. The administrative expenses of the Federal Home Loan Bank Board, including the home office of the Office of Examinations and Supervision, are paid from assessments against the 12 Federal Home Loan Banks and the Federal Savings and Loan Insurance Corporation. The nonadministrative (examination) expenses are financed by examination fees and assessments paid by all insured institutions, and by assessment on the Federal Savings and Loan Insurance Corporation.

COMMITTEE RECOMMENDATION

The Committee recommends limitations of $25,820,000 on administrative expenses and $40,570,000 on nonadministrative expenses of the Federal Home Loan Bank Board, as requested by the administration.

The Committee is cognizant that the next year will continue to be an extremely difficult period for the Nation's savings and loan institutions and mutual savings banks. The Committee has retained the House language permitting the Bank Board to reprogram up to 10 percent of the lesser of these two limitations with the approval of the Committees on

Appropriations. This will allow the Bank Board additional flexibility in their efforts to resolve the industry's exceptional problems. This same provision was included in the Senate version of the fiscal year 1983 pay supplemental bill (H.R. 3069).

In addition the Committee included a new proviso enabling the Bank Board to exercise the reprograming provision in fiscal year 1983, upon enactment of the bill.

Federal Savings and Loan Insurance Corporation

LIMITATION ON ADMINISTRATIVE EXPENSES

1983 limitation	[1] $1,150,000
1984 budget estimate	1,245,000
House allowance	1,245,000
Committee recommendation	1,245,000

[1] Includes $30,000 in proposed pay supplemental bill (H.R. 3069).

The Committee recommends a limitation of $1,245,000 on the administrative expenses of the Federal Savings and Loan Insurance Corporation in fiscal year 1984. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Federal Savings and Loan Insurance Corporation is authorized under title IV of the National Housing Act to insure savings in all Federal savings and loan associations and in State-chartered institutions of the savings and loan type which apply and qualify for insurance. This protection, which insures each saver in a member association against financial loss up to a statutory limit of $100,000, may be provided either through the prevention of default or the payment of insurance to savings account holders in the event of liquidation. The Corporation is also authorized to make loans to institutions in financial difficulty. The Corporation functions under the direction of the Federal Home Loan Bank Board, which provides administrative services. The expenses of the Board and its staff offices are paid from assessments made on the Corporation and the Federal Home Loan Banks.

COMMITTEE RECOMMENDATION

The Committee recommends $1,245,000 for the limitation on the administrative expenses of the Federal Savings and Loan Insurance Corporation in fiscal year 1984. This is the same as the budget request and House allowance.

TITLE IV—GENERAL PROVISIONS

The Committee concurs with all of the general provisions that were included in the fiscal year 1983 HUD–Independent Agencies Appropriations Act (Public Law 97–272) and were included by the House in this bill (secs. 401–415). The Committee has, however, amended section 401 to permit the use of travel expenses from the Environmental Protection Agency's hazardous substance response trust fund. The Committee has, also, struck two new provisions added on the House floor. These provisions are as follows:

COMPLIANCE WITH RULE XVI, PARAGRAPH 7

Rule XVI, paragraph 7 states:

"Every report on general appropriation bills filed by the Committee on Appropriations shall identify with particularity each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The provision concerning payments to State and local government fiscal assistance trust fund (general revenue sharing) would fail under this rule as well as the new VA job training program included under the readjustment benefits account.

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1984: Subcommittee on HUD-Independent Agencies	N/A	54,254	N/A	[1] 58,031
Projections of outlays associated with budget authority recommended in the bill:				
1984				[2] 35,001
1985				7,927
1986				4,026
1987				1,788
1988 and future year				5,620
Financial assistance to State and local governments for 1984 in the bill		13,685		1,067

[1] Includes outlays from prior-year budget authority, and from previously enacted and proposed appropriations (including H.R. 3069).

[2] Includes $107,000,000 for which there is no new budget authority.

N/A: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984

[Amounts in dollars]

Item	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1983 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I							
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
HOUSING PROGRAMS							
Annual contributions for assisted housing (contract authority)	8,651,475,689	3,595,860,896	12,644,138,000	7,954,862,810	-696,612,879	+4,359,001,914	-4,689,275,190
(Increased limitation for annual contract authority)	(519,711,198)	(509,636,806)	(771,315,000)	(809,954,229)	(+290,243,031)	(+300,317,423)	(+38,639,229)
Housing Payment Certificates (contract authority)	---	---	312,500,000	---	---	---	-312,500,000
(Limitation on annual contract authority)	---	---	(62,500,000)	---	---	---	(-62,500,000)
Rent supplement (rescission of contract authority, indefinite)	-2,830,360,000	-2,374,777,000	-2,374,777,000	-2,374,777,000	+455,583,000	---	---
(Limitation on annual contract authority, indefinite)	(-105,160,000)	(-93,326,000)	(-93,326,000)	(-93,326,000)	(+11,834,000)	---	---
Rental housing assistance (rescission of contract authority, indefinite)	---	-483,120,000	-483,120,000	-483,120,000	-483,120,000	---	---
(Limitation on annual contract authority, indefinite)	---	(-13,320,000)	(-13,320,000)	(-13,320,000)	(-13,320,000)	---	---
Housing Payments (appropriation to liquidate contract authority)	(9,538,000,000)	(10,697,000,000)	(10,697,000,000)	(10,697,000,000)	(+1,159,000,000)	---	---
Housing for the elderly or handicapped fund (authority to borrow)	564,358,000	436,102,000	626,502,000	626,502,000	+62,144,000	+190,400,000	---
(Limitation on direct loans)	(634,200,000)	(476,000,000)	(666,400,000)	(666,400,000)	(+32,200,000)	(+190,400,000)	---

BEST COPY AVAILABLE

Congregate services program	4,000,000	---	---	---	-4,000,000	---	---
Payments for operation of low-income housing projects	1,350,000,000	1,636,500,000	1,431,000,000	1,362,200,000	+12,200,000	-274,300,000	-68,800,000
Indian housing grants	---	76,000,000	---	---	---	-76,000,000	---
Housing counseling assistance	3,500,000	---	5,000,000	---	-3,500,000	---	-5,000,000
Federal Housing Administration Fund	240,022,000	252,974,000	252,974,000	252,974,000	+12,952,000	---	---
Portion applied to debt reduction	-128,392,000	-173,334,000	-173,334,000	-173,334,000	-44,942,000	---	---
(Limitation on guaranteed loans)	(45,900,000,000)	(39,800,000,000)	(45,900,000,000)	(50,900,000,000)	(+5,000,000,000)	(+11,100,000,000)	(+5,000,000,000)
Temporary mortgage assistance payments (limitation on direct loans)	(45,000,000)	(56,390,000)	(56,390,000)	(56,390,000)	(+11,390,000)	---	---
Total, Federal Housing Administration Fund	111,630,000	79,640,000	79,640,000	79,640,000	-31,990,000	---	---
Nonprofit sponsor assistance (limitation on direct loans)	(1,790,000)	(1,880,000)	(2,632,000)	(2,632,000)	(+842,000)	(+752,000)	---
Government National Mortgage Association							
Special assistance functions fund: (Limitation on direct loans)	(500,000,000)	---	---	---	(-500,000,000)	---	---
Payment of participation sales insufficiencies	2,726,000	1,997,000	1,997,000	1,997,000	-729,000	---	---
Guarantees of mortgage-backed securities (limitation on guaranteed loans)	(68,250,000,000)	(58,650,000,000)	(58,650,000,000)	(68,250,000,000)	---	(+9,600,000,000)	(+9,600,000,000)
Total, Government National Mortgage Association	2,726,000	1,997,000	1,997,000	1,997,000	-729,000	---	---
Total, Housing Programs (net)	7,857,329,689	2,968,202,896	12,242,880,000	7,167,304,810	-690,024,879	+4,199,101,914	-5,075,575,190
SOLAR ENERGY AND ENERGY CONSERVATION BANK							
Assistance for solar and conservation improvements	20,000,000	---	25,000,000	25,000,000	+5,000,000	+25,000,000	---

BEST COPY AVAILABLE

BEST COPY AVAILABLE

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[Amounts in dollars]

Item	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1983 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
COMMUNITY PLANNING AND DEVELOPMENT							
Community development grants	4,456,000,000	3,500,000,000	3,470,000,000	3,463,200,000	-992,800,000	-36,800,000	-6,800,000
(Limitation on guaranteed loans)	(225,000,000)	---	(225,000,000)	(225,000,000)	---	(+225,000,000)	---
Urban development action grants	440,000,000	196,000,000	440,000,000	440,000,000	---	+244,000,000	---
Urban homesteading	12,000,000	12,000,000	12,000,000	12,000,000	---	---	---
Rental rehabilitation grants	---	150,000,000	---	300,000,000	+300,000,000	+150,000,000	+300,000,000
Total, Community Planning and Development	4,908,000,000	3,858,000,000	3,922,000,000	4,215,200,000	-692,800,000	+357,200,000	+293,200,000
POLICY DEVELOPMENT AND RESEARCH							
Research and technology	18,000,000	18,000,000	15,000,000	21,000,000	+3,000,000	+3,000,000	+6,000,000
FAIR HOUSING AND EQUAL OPPORTUNITY							
Fair housing assistance	5,700,000	4,700,000	4,700,000	4,700,000	-1,000,000	---	---

BEST COPY AVAILABLE

MANAGEMENT AND ADMINISTRATION							
Salaries and expenses	307,500,000	303,107,000	300,000,000	300,950,000	-6,550,000	-2,157,000	+950,000
(By transfer, FHA funds)	(267,723,000)	(271,114,000)	(271,114,000)	(271,114,000)	(+3,391,000)	---	---
Total, title I, Department of Housing and Urban Development:							
New budget (obligational) authority (net)	13,116,529,689	7,152,009,896	16,509,580,000	11,734,154,810	-1,382,374,879	+4,582,144,914	-4,775,425,190
Appropriations	6,859,448,000	6,151,278,000	5,957,671,000	6,184,021,000	-675,427,000	+32,743,000	+226,350,000
Portion applied to debt reduction	-128,392,000	-173,334,000	-173,334,000	-173,334,000	-44,942,000	---	---
Contract authority	8,651,473,689	3,595,860,896	12,956,638,000	7,954,862,810	-696,612,879	+4,359,001,914	-5,001,775,190
Rescission of contract authority, indefinite	-2,830,360,000	-2,857,897,000	-2,857,897,000	-2,857,897,000	-27,537,000	---	---
Authority to borrow	564,358,000	436,102,000	626,502,000	626,502,000	+62,144,000	+190,400,000	---
(Appropriation to liquidate contract authority)	(9,538,000,000)	(10,697,000,000)	(10,697,000,000)	(10,697,000,000)	(+1,159,000,000)	---	---
(Increased limitation for annual contract authority)	(519,711,198)	(509,636,806)	(833,815,000)	(809,954,229)	(+290,243,031)	(+300,317,423)	(-23,860,771)
(Limitation on annual contract authority, indefinite)	(-105,160,000)	(-106,646,000)	(-106,646,000)	(-106,646,000)	(-1,486,000)	---	---
(Limitation on direct loans)	(1,180,990,000)	(534,270,000)	(725,422,000)	(725,422,000)	(-455,568,000)	(+191,152,000)	---
(Limitation on corporate funds to be expended)	(267,723,000)	(271,114,000)	(271,114,000)	(271,114,000)	(+3,391,000)	---	---
TITLE II							
INDEPENDENT AGENCIES							
AMERICAN BATTLE MONUMENTS COMMISSION							
Salaries and expenses	10,669,000	10,837,000	10,837,000	10,462,000	-207,000	-375,000	-375,000
CONSUMER PRODUCT SAFETY COMMISSION							
Salaries and expenses	33,508,000	32,000,000	34,500,000	35,000,000	+1,492,000	+3,000,000	+500,000

BEST COPY AVAILABLE

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[Amounts in dollars]

Item	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1983 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DEPARTMENT OF DEFENSE - CIVIL							
Cemeterial Expenses, Army							
Salaries and expenses	6,682,000	8,203,000	8,203,000	8,203,000	+1,521,000	---	---
ENVIRONMENTAL PROTECTION AGENCY							
Salaries and expenses	548,613,200	540,389,000	612,889,000	574,900,000	+26,286,800	+34,511,000	-37,989,000
Research and development	119,000,000	111,669,000	165,600,000	142,700,000	+23,700,000	+31,031,000	-22,900,000
Abatement, control and compliance	369,075,000	293,933,000	521,511,000	393,900,000	+24,825,000	+99,967,000	-127,611,000
Buildings and facilities	3,000,000	2,600,000	2,600,000	2,600,000	-400,000	---	---
Payment to the hazardous substance response trust fund	40,000,000	44,000,000	44,000,000	44,000,000	+4,000,000	---	---
Hazardous substance response trust fund	210,000,000	310,000,000	335,000,000	410,000,000	+200,000,000	+100,000,000	+75,000,000
Construction grants	2,430,000,000	2,400,000,000	2,400,000,000	2,430,000,000	---	+30,000,000	+30,000,000
Total, Environmental Protection Agency	3,719,688,200	3,702,591,000	4,081,600,000	3,998,100,000	+278,411,800	+295,509,000	-83,500,000
EXECUTIVE OFFICE OF THE PRESIDENT							
Council on Environmental Quality and Office of Environmental Quality	926,000	913,000	700,000	913,000	-13,000	---	+213,000
Office of Science and Technology Policy	1,839,000	2,088,000	1,950,000	1,950,000	+111,000	-138,000	---
Total, Executive Office of the President	2,765,000	3,001,000	2,650,000	2,863,000	+98,000	-138,000	+213,000

FEDERAL EMERGENCY MANAGEMENT AGENCY							
Funds appropriated to the President, disaster relief..	130,000,000	---	---	---	-130,000,000	---	---
Salaries and expenses.....	111,300,000	127,591,000	119,999,000	122,263,000	+10,963,000	-5,328,000	+2,264,000
State and local assistance.....	154,591,000	209,716,000	169,176,000	187,566,000	+32,975,000	-22,150,000	+18,390,000
Emergency planning and assistance.....	154,007,000	185,100,000	141,583,000	157,258,000	+3,251,000	-27,842,000	+15,675,000
National flood insurance fund.....	39,159,000	37,521,000	37,521,000	37,521,000	-1,638,000	---	---
Portion applied to debt reduction.....	-39,159,000	-37,521,000	-37,521,000	-37,521,000	+1,638,000	---	---
Emergency food and shelter program.....	100,000,000	---	---	---	-100,000,000	---	---
Total, Federal Emergency Management Agency.....	649,898,000	522,407,000	430,758,000	467,087,000	-182,811,000	-55,320,000	+36,329,000
GENERAL SERVICES ADMINISTRATION							
Consumer Information Center.....	1,351,000	1,449,000	1,449,000	1,349,000	-2,000	-100,000	-100,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Office of Consumer Affairs.....	1,947,000	2,011,000	2,011,000	2,011,000	+64,000	---	---
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Research and development.....	5,542,800,000	5,708,500,000	5,803,500,000	5,793,500,000	+250,700,000	+85,000,000	-10,000,000
Construction of facilities.....	97,500,000	150,500,000	135,500,000	135,500,000	+38,000,000	-15,000,000	---
Research and program management.....	1,168,900,000	1,247,500,000	1,237,500,000	1,242,500,000	+73,600,000	-5,000,000	+5,000,000
Total, National Aeronautics and Space Administration.....	6,809,200,000	7,106,500,000	7,176,500,000	7,171,500,000	+362,300,000	+65,000,000	-5,000,000
NATIONAL CREDIT UNION ADMINISTRATION							
Central liquidity facility:							
(Limitation on borrowing authority).....	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on administrative expenses).....	(1,368,000)	(850,000)	(850,000)	(850,000)	(-518,000)	---	---

BEST COPY AVAILABLE

BEST COPY AVAILABLE

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[Amounts in dollars]

Item	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1983 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NATIONAL SCIENCE FOUNDATION							
Research and related activities	1,060,000,000	1,250,700,000	1,242,400,000	1,214,700,000	+154,700,000	-36,000,000	-27,700,000
Science education activities	30,000,000	39,000,000	70,000,000	75,000,000	+45,000,000	+36,000,000	+5,000,000
Scientific activities overseas (special foreign currency program)	2,200,000	2,600,000	2,900,000	2,900,000	+700,000	+300,000	---
Total, National Science Foundation	1,092,200,000	1,292,300,000	1,315,300,000	1,292,600,000	+200,400,000	+300,000	-22,700,000
NEIGHBORHOOD REINVESTMENT CORPORATION							
Payment to the Neighborhood Reinvestment Corporation	15,512,000	15,512,000	15,512,000	15,512,000	---	---	---
SELECTIVE SERVICE SYSTEM							
Salaries and expenses	22,700,000	25,499,000	24,049,000	24,649,000	+1,949,000	-850,000	+600,000
DEPARTMENT OF THE TREASURY							
Payments to State and local government fiscal assistance trust fund	4,566,700,000	4,566,700,000	DEFERRED	4,566,700,000	---	---	+4,566,700,000
Office of Revenue Sharing, salaries and expenses	6,612,000	7,678,000	7,378,000	7,278,000	+666,000	-400,000	-100,000
Total, Department of the Treasury	4,573,312,000	4,574,378,000	7,378,000	4,573,978,000	+666,000	-400,000	+4,566,600,000

BEST COPY AVAILABLE

VETERANS ADMINISTRATION							
Compensation and pensions	13,430,800,000	13,842,000,000	13,842,000,000	13,842,000,000	+411,200,000	---	---
Readjustment benefits	1,665,800,000	1,371,000,000	1,371,000,000	1,521,000,000	-144,800,000	+150,000,000	+150,000,000
Veterans insurance and indemnities	6,400,000	7,400,000	7,400,000	7,400,000	+1,000,000	---	---
Medical care	7,586,606,000	8,058,526,000	8,078,526,000	8,065,187,000	+478,581,000	+6,661,000	-13,339,000
Medical and prosthetic research	152,665,000	156,325,000	162,325,000	162,325,000	+9,660,000	+6,000,000	---
Medical administration and miscellaneous operating expenses	55,807,000	66,552,000	66,552,000	66,552,000	+10,745,000	---	---
General operating expenses	688,000,000	719,088,000	712,088,000	712,088,000	+24,088,000	-7,000,000	---
Construction, major projects	407,392,000	674,392,000	350,992,000	341,692,000	-65,700,000	-332,700,000	-9,300,000
Construction, minor projects	141,748,000	193,878,000	193,378,000	177,185,000	+35,437,000	-16,693,000	-16,193,000
Grants for construction of State extended care facilities	18,000,000	18,000,000	18,000,000	18,000,000	---	---	---
Grants for construction of State veterans cemeteries	2,500,000	3,000,000	3,000,000	3,000,000	+500,000	---	---
Grants to the Republic of the Philippines	500,000	500,000	500,000	500,000	---	---	---
Direct loan revolving fund (limitation on direct loans)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	---	---	---
Total, Veterans Administration	24,156,218,000	25,110,661,000	24,805,761,000	24,916,929,000	+760,711,000	-193,732,000	+111,168,000
Total, title II, Independent Agencies:							
New budget (obligational) authority	41,095,650,200	42,407,349,000	37,916,508,000	42,520,243,000	+1,424,592,800	+112,894,000	+4,603,735,000
Appropriations	41,134,809,200	42,444,870,000	37,954,029,000	42,557,764,000	+1,422,954,800	+112,894,000	+4,603,735,000
Portion applied to debt reduction	-39,159,000	-37,521,000	-37,521,000	-37,521,000	+1,638,000	---	---
(Limitation on borrowing authority)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on direct loans)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	---	---	---
(Limitation on corporate funds to be expended)	(1,368,000)	(850,000)	(850,000)	(850,000)	(-518,000)	---	---
TITLE III							
CORPORATIONS							
Federal Home Loan Bank Board:							
(Limitation on administrative expenses)	(24,360,000)	(25,820,000)	(25,820,000)	(25,820,000)	(+1,460,000)	---	---
(Limitation on non-administrative expenses)	(40,680,000)	(40,570,000)	(40,570,000)	(40,570,000)	(-110,000)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[Amounts in dollars]

Item	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1983 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Federal Savings and Loan Insurance Corporation:							
(limitation on administrative expenses)	(1,120,000)	(1,245,000)	(1,245,000)	(1,245,000)	(+125,000)	---	---
Total, title III, Corporations	(66,160,000)	(67,635,000)	(67,635,000)	(67,635,000)	(+1,475,000)	---	---
RECAPITULATION							
Grand total:							
New budget (obligational) authority	54,212,179,889	49,559,358,896	[8] 54,426,088,000	54,254,397,810	+42,217,921	+4,695,038,914	-171,690,190
Appropriations	47,994,257,200	48,596,148,000	43,911,700,000	48,741,785,000	+747,527,800	+145,637,000	+4,830,085,000
Portion applied to debt reduction	-167,551,000	-210,855,000	-210,855,000	-210,855,000	-43,304,000	---	---
Contract authority	8,651,475,689	3,595,860,896	12,956,638,000	7,954,862,810	-696,612,879	+4,359,001,914	-5,001,775,190
Contract authority, indefinite	-2,830,360,000	-2,857,897,000	-2,857,897,000	-2,857,897,000	-27,537,000	---	---
Authority to borrow	564,358,000	436,102,000	626,502,000	626,502,000	+62,144,000	+190,400,000	---
(Appropriations to liquidate contract authority)	(9,538,000,000)	(10,697,000,000)	(10,697,000,000)	(10,697,000,000)	(+1,159,000,000)	---	---
(Increased limitation for annual contract authority)	(519,711,198)	(509,636,806)	(833,815,000)	(809,954,229)	(+290,243,031)	(+300,317,423)	(-23,860,771)
(Limitation on annual contract authority, indefinite)	(-105,160,000)	(-106,646,000)	(-106,646,000)	(-106,646,000)	(-1,486,000)	---	---
(Limitation on borrowing authority)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on direct loans)	(1,181,990,000)	(535,270,000)	(726,422,000)	(726,422,000)	(-455,568,000)	(+191,152,000)	---
(Limitation on guaranteed loans)	(114,375,000,000)	(98,450,000,000)	(104,775,000,000)	(119,375,000,000)	(+5,000,000,000)	(+20,925,000,000)	(+14,600,000,000)
(Limitation on corporate funds to be expended)	(335,251,000)	(339,599,000)	(339,599,000)	(339,599,000)	(+4,348,000)	---	---

[8] House defers consideration of $4,566,700,000 in General revenue sharing funds.

BEST COPY AVAILABLE